

Official Statement

*San Ramon Valley
Unified School District
Educational Facilities Corporation
Contra Costa County, California
\$11,000,000 Series of 1976 Bonds*

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Bids to be received by the Corporation on Tuesday, July 27, 1976, at 10:00 A.M. at the Conference Room of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California.

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OFFICIAL STATEMENT
\$11,000,000 SERIES OF 1976 BONDS
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
EDUCATIONAL FACILITIES CORPORATION

Robert Arrigoni, *President*

Ralph Swany, *Vice President*

Charles Lowell, *Treasurer*

Joan Marsh, *Secretary*

Graham Sullivan, *Director*

SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

Harold Zuckerman, *President*

Edward Best, *Vice President*

Jane Upp, *Clerk*

Joseph De Hope

Virginia Jouris

ADMINISTRATIVE STAFF

Allan J. Petersdorf, *Superintendent*

Arthur O. Bachelor, *Business Manager*

Tony Freitas, *Director of Facilities Planning*

PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, *San Francisco*
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc., *San Francisco*
Financing Consultants

THE DATE OF THIS OFFICIAL STATEMENT IS JUNE 24, 1976

Calif.
School administration San Ramon valley
" architecture " " "
Public debts County Contra Costa co.
Investments Public securities

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of, \$11,000,000 principal amount of the Series of 1976 Bonds, proposed to be issued by the San Ramon Valley Unified School District Educational Facilities Corporation.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the Corporation and the San Ramon Valley Unified School District (which firm will receive compensation from the Corporation contingent upon the sale and delivery of the Bonds).

This Official Statement is not to be construed as a contract with the purchasers of the Series of 1976 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The agreements of the Corporation with the purchasers of the Bonds are set forth in the Indenture. That document will be available to any prospective investor in the Bonds. Reference is hereby made to that document for a complete statement of the rights and obligations of the Corporation and holders of the Bonds.

No dealer, broker, salesman or other person has been authorized by the Corporation to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The members of the governing board of the San Ramon Valley Unified School District have reviewed this Official Statement and have determined that as of the date hereof the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The San Ramon Valley Unified School District will deliver to the purchaser of the Bonds a certificate as to the above, dated the date of Bond delivery and further certifying that the signatories know of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds, and authorizing the purchaser of the Bonds to distribute copies of the Official Statement in connection with the resale of the Bonds. 250 copies of the Official Statement will be supplied to the purchaser of the Bonds for this purpose.

The opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, will be furnished to the successful bidder (see the section entitled "Legal Opinion" herein). The scope of Bond Counsel's employment in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the sections titled "San Ramon Valley Unified School District Educational Facilities Corporation" and "The Bonds".

Dated June 24, 1976

SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
EDUCATIONAL FACILITIES CORPORATION

**SUMMARY OF ESSENTIAL FACTS AND ESTIMATES
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
EDUCATIONAL FACILITIES CORPORATION
\$11,000,000 PRINCIPAL AMOUNT SERIES OF 1976 BONDS**

Issuer and Authority for Issuance: San Ramon Valley Unified School District Educational Facilities Corporation pursuant to the General Nonprofit Corporation Law of the State of California (Title 1, Division 2, Part 1 of the California Corporations Code), and an Indenture between the Corporation and Crocker National Bank, as Trustee.

Purpose of Issue: Finance the construction of South Intermediate School, a classroom addition at California High School, classroom additions and remodeling at San Ramon Valley High School.

Issue of Bonds: \$11,000,000 principal amount Series of 1976 Bonds of the Corporation, dated July 1, 1976 and maturing on April 1 as follows:

Maturity Date April 1	Principal Maturing	Maturity Date April 1	Principal Maturing
1979 ..	\$300,000	1988 ..	\$ 600,000
1980 ..	325,000	1989 ..	650,000
1981 ..	350,000	1990 ..	700,000
1982 ..	375,000	1991 ..	750,000
1983 ..	400,000	1992 ..	800,000
1984 ..	450,000	1993 ..	850,000
1985 ..	475,000	1994 ..	900,000
1986 ..	500,000	1995 ..	975,000
1987 ..	550,000	1996 ..	1,050,000

Interest: Maximum rate not to exceed 8 percent per annum, payable for the first nine months on April 1, 1977, and semiannually thereafter on October 1 and April 1.

Time and Place of Sale: Tuesday, July 27, 1976 at 10:00 A.M. at the Conference Room of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California.

Payment and Registration: Interest and principal payable at the principal office of Crocker National Bank in San Francisco, California (the Trustee), or, in the case of coupon bonds, at the principal office of The Chase Manhattan Bank, N.A. in New York, New York, or at the office of The First National Bank of Chicago in Chicago, Illinois. Coupon bonds

in denomination of \$5,000 or in fully registered form, interchangeable at the office of the Trustee.

Call Provisions: All bonds callable from proceeds of insurance or eminent domain on any date without premium. Bonds maturing on or before April 1, 1988 not otherwise callable. Bonds maturing on and after April 1, 1989 also callable on April 1, 1988 at a maximum premium of 2¼ percent and at lesser premiums in subsequent years as specified in the Indenture.

Tax Exemption: In the opinion of Bond Counsel, interest on the Series of 1976 Bonds is exempt from all present federal and State of California personal income taxes.

Legality for Investment: It is believed that the Series of 1976 Bonds will be eligible to secure deposits of public funds in California under Section 53651.5 of the California Government Code (See footnote 3, Table 10 on page 24). It is believed the U.S. Comptroller of Currency will issue a ruling that the Series of 1976 Bonds are eligible for purchase, dealing in, underwriting, and unlimited holding by national banks.

Blue Sky Memorandum: Information memorandum regarding applicability of blue-sky laws in all 50 states, District of Columbia, and Puerto Rico will be furnished to prospective purchasers.

Legal Opinion: Orrick, Herrington, Rowley & Sutcliffe, San Francisco.

Security: Payment of bond interest and principal secured by a first charge upon District base rent payments. Rent payments are general fund obligations and District covenants to budget and appropriate necessary funds each year.

District voters have approved a 39¢ per \$100 assessed valuation maximum annual tax rate increase over the period 1975/76 to 2000/2001 for the purposes of (1) preparing plans and specifications, and (2) leasing the Project to be constructed for District's use. Proceeds of the voter approved maximum tax rate increase may be used only to meet District rent obligations and other Project costs.

Estimated district annual rental obligation of \$1,147,000 (\$1,137,000 base rental and \$10,000 additional rental) payable in semiannual install-

ments beginning September 15, 1978 and each subsequent March 15 and September 15 through March 15, 1996 is anticipated to be met by proceeds from voter approved lease authorization tax.

The estimated rental is based on the following assumptions: (1) actual Project Phase I construction costs as bid, (2) a bid of 7½ percent per annum interest rate on Bonds issued to finance the construction of Project Phase I school facilities, (3) funded interest during and for seven months beyond the expected completion date of the South Intermediate School and California High School work, and two months beyond the expected completion date of San Ramon Valley High School work, (4) the funding of a reserve fund equal to one-half maximum annual debt service.

Based on the preliminary 1976/77 assessed valuation of \$289,000,000 as supplied by the Contra Costa County Assessor, the authorized 39¢ per \$100 assessed valuation tax rate increase will provide for more than 98% of the \$1,147,000 total rental based on an estimated interest rate of 7½ percent bid on the Series of 1976 Bonds.

District will actually levy for rental payments beginning in fiscal year 1977/78 as provided for in the facility lease. Based on an increase from preliminary 1976/77 assessed valuation (\$289,000,000) of \$13,500,000 or approximately 50% of the average annual increase in revenue base experienced by District from 1971/72 to 1975/76, the District would levy approximately 37.9¢ of the authorized 39¢ per \$100 assessed valuation tax rate increase in fiscal year 1977/78 for payment of Project Phase I total rental. District is presently guaranteed the full amount of its annual tax levy under Sections 4701-4717 of the State Revenue and Taxation Code.

Other Protective Provisions Series of 1976 Bonds:

(1) Reserve equal to one-half maximum annual debt service created from bond proceeds; (2) interest funded for seven months beyond the expected completion dates of South Intermediate School and California High School work and two months beyond the expected completion date of San Ramon Valley High School work; (3) rental moneys collected by the District one fiscal year in advance of lease payment dates; (4) firm construction bids have been received with 100% faithful performance and 100% labor and materialmen's bonds; (5) insurance protection includes fire and extended coverage for not less than full replacement cost of the facilities or sufficient to pay bonds, subject to a deductible clause not to ex-

ceed \$100,000 for any one loss; earthquake insurance after completion, if such insurance is available on the open market from reputable insurance companies, for not less than full replacement cost of the facilities or sufficient to pay bonds, subject to a deductible clause not to exceed 10 percent of replacement cost for any one loss; rental interruption insurance equal to time required to construct structure plus three months, less a 30-day deductible; public liability and property damage insurance; and a policy of title insurance in the amount of the Bonds insuring the Corporation's interest in the sites upon which facilities are to be located.

District Financial Data: Five year history shows: (1) increase in average daily attendance from 10,458 to an estimated 12,839, (2) growth in assessed valuation from \$121,959,820 to \$230,012,173, (3) tax rates per \$100 assessed valuations ranged from a high of \$6.977 (1973/74) to a low of \$6.214 in the geographical area of Alamo (1974/75). The 1975/76 tax rates are \$6.295, \$6.366, and \$6.298 in the respective geographical areas of Alamo, Danville and San Ramon.

The District: Located 30 miles east of San Francisco. Population estimated at 45,000. Between April of 1970 and April of 1975, four principal communities of the District (Alamo, Danville, Diablo, and San Ramon) gained more than 45 percent in population (28,016 to 40,778) while Contra Costa County gained less than 5% (555,805 to 582,829). The 1970 Census reports that median value for owner occupied homes were \$40,700 compared to countywide median of \$25,700. Median family income in 1975 ranged from \$21,387 in San Ramon to \$25,690 in Diablo.

Direct and Net Direct and Estimated Overlapping Debt. Upon delivery of the Corporation's Series of 1976 Bonds currently being offered for sale, the total of the Corporation's and District's direct debt will be \$24,609,000 or 8.52% of assessed valuation and 2.22% of estimated real value. Net direct and estimated overlapping debt will be 20.55% and 5.36% of assessed valuation and estimated real value, respectively. These percentages are based on the preliminary 1976/77 assessed valuation as supplied by the Contra Costa County Assessor.

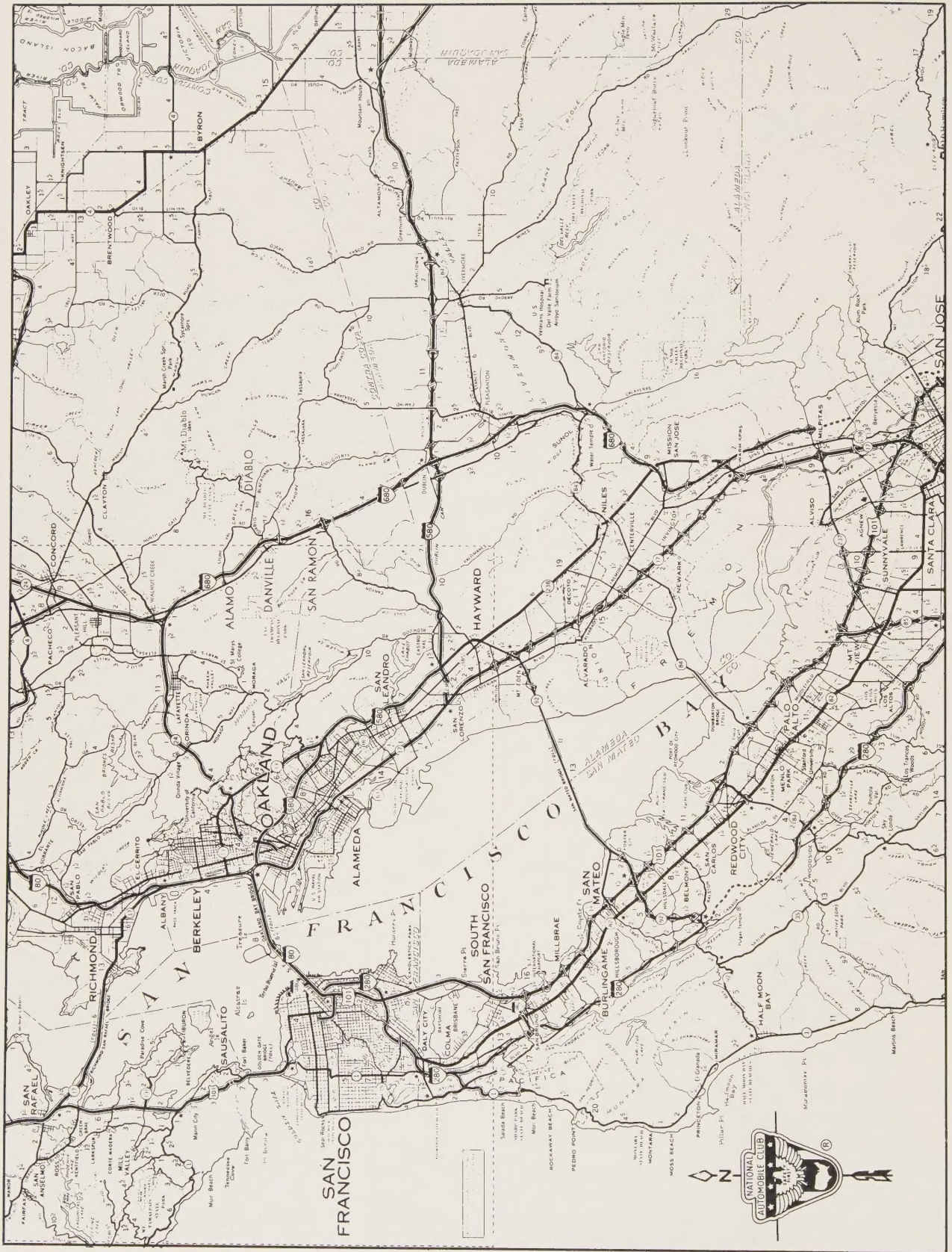
ALL OF THE TERMS OF THIS SUMMARY OF ESSENTIAL FACTS AND ESTIMATES ARE SUBJECT TO THIS OFFICIAL STATEMENT AND THE OFFICIAL NOTICE OF SALE OF THE BONDS.

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The San Ramon Valley Unified School District located approximately 30 miles east of San Francisco and including the communities of Alamo, Danville, Diablo, and San Ramon.

SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT EDUCATIONAL FACILITIES CORPORATION

Organization and Membership

The San Ramon Valley Unified School District Educational Facilities Corporation, herein referred to as the "Corporation", was formed on September 11, 1975, as a nonprofit corporation pursuant to the General Nonprofit Corporation Law of the State of California (Title 1, Division 2, Part 1, of the California Corporations Code). The purpose of the Corporation is to provide financial assistance to the San Ramon Valley Unified School District, Contra Costa County, California, herein referred to as the "District", by financing the acquisition, construction, improvement and remodeling of public school buildings and facilities for the District.

The Corporation functions as an independent entity and its policies are determined by a five-member Board of Directors who are community leaders and residents of the District. The members of the Board of Directors, who serve without compensation, are:

President: Robert Arrigoni, real estate broker, chairman Legislative and Taxation Committee of the Contra Costa Board of Realtors. Mr. Arrigoni has served as: member California Association of Realtors and the National Association of Realtors; former Trustee, San Ramon Valley Unified School District; Director, Danville Rotary Club; Trustee, Diablo Valley Savings Foundation; and, a member of the General Plan Review Committee for Contra Costa County.

Vice-President: Ralph Swany, certified public accountant; vice-president of finance with Multi-sonics Inc. Mr. Swany has served as: finance chairman and treasurer, San Ramon Valley Citizens for Schools; and member, California Society

of Certified Public Accountants and American Institute of Certified Public Accountants.

Treasurer: Charles Lowell, banker, president of the Diablo State Bank. Mr. Lowell has served as: President, San Ramon Valley Chamber of Commerce; President, Danville Lions Club; member, Board of Danville Rotary Club and Child Resource Center; and teacher at Ohlone Junior College and Chabot College.

Secretary: Joan Marsh, educational analyst. Mrs. Marsh has served as: assistant editor, legal publications firm; vice-president American Association University Women; co-chairman two school bond election committees; and, member, parent faculty organization.

Director: Graham Sullivan, educator, has served as: Deputy Superintendent of Schools, Los Angeles City Schools; Deputy Superintendent of Schools, Instruction, State Department of Education, Sacramento; Deputy Commissioner of Education, Washington, D.C.; Developer and Coordinator, National Defense Education Act, State of California. Mr. Sullivan has been a member and past president Martinez Rotary Club; and member and president Contra Costa County Development Association.

Certain Powers of the Corporation

The powers of the Corporation are vested in, and exercised by, a majority of its directors. Under its Articles of Incorporation, the Corporation has all powers conferred upon nonprofit corporations by the laws of the State of California including the following:

(a) To borrow money and issue bonds, debentures, notes and other evidences of indebtedness, and to secure the payment or performance of its obligations by pledge, mortgage, transfer in trust or otherwise;

(b) To acquire, by purchase, exchange, lease, gift, devise, bequest or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, exchange, convey or otherwise dispose of real and personal property; and

(c) To assume any obligations, enter into any contracts and other instruments and do any and all things incidental to or expedient for the attainment of its corporate purposes or the issuance and sale of its securities.

Financing Procedures and Basic Legal Documents

On May 27, 1975 voters of the District, by a vote of 4,004 to 3,514 (53.3%) approved an increase of 39¢ per \$100 assessed valuation in the District's maximum tax rate over the period 1975/76 to 2000/2001 for the purposes of preparing plans and specifications and leasing the following furnished, equipped and landscaped school facilities: (1) new South Intermediate School, (2) classroom additions at San Ramon Valley High School and, (3) a classroom building addition at California High School ("Project Phase I").

Proceeds from the sale of the \$11,000,000 principal amount of the Corporation's Series of 1976 Bonds (the "Series of 1976 Bonds") currently being offered will be used to construct Project Phase I public school facilities (see above discussion) on District-owned sites that are to be leased to the Corporation pursuant to provisions of a site lease, the principal provisions which are summarized in the "Site Lease" heading of the Official Statement.

The term "Project" as used herein includes Project Phase I and any other school facilities financed by the Corporation under the Indenture. The term "Bonds" includes the Series of 1976 Bonds and any other series of bonds subsequently issued under the Indenture.

The \$11,000,000 principal amount of the Series of 1976 Bonds currently being offered will be issued pursuant to an Indenture between the Corporation and Crocker National Bank, San Francisco, California, as Trustee. The Indenture will be dated July 1, 1976 and will be executed prior to the delivery of the Series of 1976 Bonds.

Series of 1976 Bonds and a summary of certain provisions of the Indenture are discussed in "The Bonds" section of this Official Statement. For complete details prospective purchasers of the Series of 1976 Bonds are referred to the text of the Basic Legal Documents accompanying the distribution of this Official Statement.

The Corporation will lease back to the District the facilities to be constructed and the sites pursuant to provisions of a facility lease, the principal provisions of which are summarized in the "Facility Lease" heading of this section of the Official Statement. For complete details prospective purchasers of the Series of 1976 Bonds are referred to the text of the Basic Legal Documents accompanying the distribution of this Official Statement.

Site Lease

The Site Lease will be dated July 1, 1976 and will be executed prior to the delivery of the Series of 1976 Bonds.

Pursuant to the Site Lease, the District will lease to the Corporation, at an annual rate of \$1.00, the real properties (Demised Premises) upon which the Project Phase I facilities are to be constructed. The Corporation shall use the Demised Premises solely for the purpose of: (1) constructing Project Phase I facilities thereon, and (2) leasing back to the District the Demised Premises and the facilities thereon pursuant to the Facility Lease.

Term. The term of the Site Lease shall start on the date of its recordation in the office of the County Recorder of Contra Costa County, State of California, or on December 1, 1976, whichever is earlier. The term of the Site Lease shall end on September 1, 1996, unless earlier terminated or extended. If prior to September 1, 1996, all of the Series of 1976 Bonds shall have been retired, the Site Lease shall be terminated ten days thereafter (the final maturity of the Series of 1976 Bonds is April 1, 1996). If on August 31, 1996 all of the Series of 1976 Bonds shall not be fully paid and retired, or if the rental payable under the Facility Lease shall have been abated, then the term of the lease shall be extended until ten days after all bonds and other indebtedness of the Corporation incurred to finance the construction of Project Phase I shall be fully paid and retired, except that the term of the lease shall in no event be extended beyond September 1, 2001.

Title to Sites. The District owns the sites upon which the facilities are to be constructed.

Eminent Domain Proceedings. In the event all or any part of the Demised Premises or the Project Phase I improvements thereon are taken by eminent domain proceedings, the interest of the Corporation shall be recognized in the amount of the then unpaid indebtedness incurred by the Corporation to construct the Project Phase I facilities, including interest thereon and all other payments required to be made by, or to, the Trustee under the Indenture securing the Series of 1976 Bonds.

Termination and Disposition of Project. Upon the termination of the Site Lease, the Corporation agrees to surrender to the District the Demised Premises and title to the permanent structures and improvements existing thereon.

For additional details of the Site Lease, prospective purchasers of the Series of 1976 Bonds are referred to the complete text of the proposed form of Site Lease included in the Basic Legal Documents accompanying the distribution of this Official Statement.

Facility Lease

The Facility Lease will be dated July 1, 1976 and will be executed prior to the delivery of the Series of 1976 Bonds. The Corporation will lease to the District the Demised Premises and the Project Phase I facilities to be constructed thereon pursuant to provisions of the Facility Lease.

Term. The term of the Facility Lease shall start on the day of its recordation in the office of the County Recorder of Contra Costa County, State of California, or on December 1, 1976, whichever is earlier. The term of the Facility Lease shall end on August 31, 1996 unless earlier terminated or extended. If prior to August 31, 1996, all of the Series of 1976 Bonds shall have been retired, the Facility Lease shall terminate ten days thereafter (the final maturity of the Series of 1976 Bonds is April 1, 1996). If on August 31, 1996, the Series of 1976 Bonds have not been retired, the Facility Lease shall be extended until ten days after all Series of 1976 Bonds and any other indebtedness incurred to finance the construction of Project Phase I shall be fully paid and retired, except that the term of the Facility Lease shall in no event be extended beyond September 1, 2001.

Construction of Facilities. The District has obtained competitive bids for the construction of Project Phase I facilities at a cost of \$8,549,318. Concurrent with the execution, delivery and recordation of the Facility Lease, the Corporation will enter into contracts with the lowest responsible bidders for construction of the Project Phase I facilities in accordance with plans and specifications previously approved by the District and the Office of State Architecture and Construction.

Commencement of Rent. It is contemplated that the District will take possession of the Demised Premises and the facilities on or before September 1, 1978 and the first semiannual payment of rental shall be due on September 15, 1978. The District may take possession of the Demised Premises and the Project Phase I facilities prior to September 1, 1978 if completed prior to that date. If for any reason the Cor-

poration is not able to deliver possession of the Demised Premises and the Project Phase I facilities, or any part thereof, to the District by September 1, 1978, the Facility Lease shall not be void nor the Corporation be liable to the District for any resulting loss or damage; but in that event, the rental payable by the District shall be abated based on the proportion the construction cost of the incompleting portion or portions of the Project Phase I facilities bears to the total construction cost of the facilities.

Base Rental. For the use and occupancy of the Demised Premises and the Project Phase I facilities, the District agrees to pay the Corporation a base rental, semiannually beginning on September 15, 1978 and each succeeding March 15 and September 15 up to and including March 15, 1996 unless the Facility Lease has been earlier terminated or extended. The amount of base rental shall be in a specified amount sufficient to meet payments of interest and principal on the Corporation's Series of 1976 Bonds as they become due. The actual base rental obligation of the District will be determined following the sale of the Series of 1976 Bonds.

Additional Rent. The District is also required to pay to the Corporation additional rental, in an amount not to exceed \$10,000 annually, to meet administrative costs of the Corporation attributable to Project Phase I and the Corporation's Series of 1976 Bonds.

District Provision of Rental. The District covenants to include all base rental and additional rental payments in its annual budget and to make the necessary annual appropriations for all such payments. The Corporation and the Trustee will be furnished copies of each proposed and final budget of the District within ten days after the filing or adoption thereof.

Abatement of Rental. Rental shall be abated during any period in which there is substantial interference with the District's use and occupancy of the Demised Premises and the Project Phase I facilities due to damage or destruction. The abatement of District rental shall be based on the proportion of initial costs of the unusable portion or portions of the Project Phase I facilities to the total initial cost of Project Phase I facilities. In the event of any such damage or destruction, the lease shall continue in full force and effect and the District waives any right to terminate the lease by virtue of such damage or destruction.

Insurance. Except if such insurance is otherwise obtained by the Corporation or a construction contractor, the District is required to obtain and maintain throughout the term of the Facility Lease various insurance coverages including fire and extended coverage, earthquake (after completion of construction and if available on the open market from reputable insurance companies), public liability and property damage, and rental or use and occupancy insurance. The various insurance coverages to be provided by the Contractor and the District during construction are discussed in the Project Section of this Official Statement. The major features of these types and amounts of insurance coverages are discussed under the heading "The Indenture" in "The Bonds" section of this Official Statement.

Maintenance, Utilities, Taxes and Assessments. The District shall be responsible for the maintenance and repair of the Demised Premises and the Project Phase I while in possession, and shall pay or arrange for the payment of such costs, as well as utilities, and taxes and assessments throughout the term of the Facility Lease.

Eminent Domain Proceedings. In the event the Project Phase I facilities are permanently taken under the power of eminent domain, the Facility Lease shall terminate. In the event less than all of the Project Phase I facilities are taken under the power of eminent domain or if the whole of the Project Phase I facilities are taken under the power of eminent domain temporarily, the Facility Lease shall continue in full force and there shall be a partial abatement of rent to be agreed upon by the District and the Corporation; however, in no event shall the

rental payable by the District be less than the amount required for the retirement of the Series of 1976 Bonds and payment of interest thereon as such bonds and interest become due.

Option to Purchase. The District shall have the option to purchase the Corporation's interest in any part of the Project Phase I facilities upon payment of an option price equal to the aggregate amount for the entire remaining term of the lease of the part of the total rental attributable to such part of the Project Phase I facilities (determined by reference to the proportion which the construction cost of such part of the Project Phase I facilities bears to the construction cost of all of the Project Phase I facilities).

Default By District. Should the District default and fail to remedy any default, the Corporation has the right to terminate the Facility Lease and re-enter the premises, or without terminating the Facility Lease, re-enter and relet the Project Phase I facilities as the agent of and for the account of the District.

Termination and Disposition of Project. Upon termination of the Facility Lease, the Corporation agrees to surrender to the District the Demised Premises and title to permanent improvements thereon.

The foregoing summary discussion of selected features contained in the proposed form of Facility Lease are made subject to all of the provisions of the proposed form of Facility Lease. This summary does not purport to be a complete statement of such provisions and reference is made to the proposed form of Facility Lease which is included as part of the legal documents accompanying this Official Statement.

THE BONDS

Authority for Issuance

The \$11,000,000 principal amount of San Ramon Valley Unified School District Educational Facilities Corporation Series of 1976 Bonds, herein referred to as the "Series of 1976 Bonds," are to be issued pursuant to the General Non-Profit Corporation Law of the State of California (Title 1, Division 2, Part 1 of the California Corporations Code) and a certain indenture dated July 1, 1976, herein referred to as "the Indenture", to be entered into between the Corporation and Crocker National Bank, as Trustee. The Series of 1976 Bonds will be secured under provisions of the Indenture, a copy of the proposed form of which is included in the Basic Legal Documents which accompany this Official Statement.

Terms of Sale

Bids for the purchase of the \$11,000,000 principal amount of the Series of 1976 Bonds will be received by the Corporation at 10:00 A.M., Tuesday, July 27, 1976, at the Conference Room of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California. Details of the terms of sale are included in the Official Notice of Sale adopted by the Board of Directors of the Corporation on June 24, 1976.

Description of the Bonds

The Series of 1976 Bonds will be dated July 1, 1976 and will bear interest, at a rate not to exceed 8 percent per annum, from their date, payable on April 1, 1977 and semiannually on each succeeding October 1 and April 1. The Series of 1976 Bonds will mature on April 1 in each of the years in the designated principal amounts as shown in Table 1.

Table 1

**SAN RAMON VALLEY
UNIFIED SCHOOL DISTRICT
EDUCATIONAL FACILITIES CORPORATION**

Series of 1976 Bonds

Principal Maturities

Maturity Date April 1	Principal Amount	Maturity Date April 1	Principal Amount
1979 ..	\$ 300,000	1988 ..	\$ 600,000
1980 ..	325,000	1989 ..	650,000
1981 ..	350,000	1990 ..	700,000
1982 ..	375,000	1991 ..	750,000
1983 ..	400,000	1992 ..	800,000
1984 ..	450,000	1993 ..	850,000
1985 ..	475,000	1994 ..	900,000
1986 ..	500,000	1995 ..	975,000
1987 ..	550,000	1996 ..	1,050,000

Redemption Provisions

The Corporation shall have the right, on any date, to redeem the Series of 1976 Bonds as a whole, or in part by lot within each maturity then outstanding, from proceeds of insurance paid for loss or substantial damage to the Project Phase I facilities or proceeds of eminent domain proceedings, at the principal amount and accrued interest thereon to the date fixed for redemption, without premium.

Series of 1976 Bonds maturing on or before April 1, 1988, an aggregate principal amount of \$4,325,000, shall not otherwise be subject to redemption prior to their respective maturity dates.

Series of 1976 Bonds due on or after April 1, 1989, an aggregate principal amount of \$6,675,000, shall also be subject to redemption prior to their respective stated maturities, at the option of the Cor-

poration, from any source of available funds, on any interest payment date on or after April 1, 1988. Such Series of 1976 Bonds are callable at the principal amount plus accrued interest plus a premium equal to: (a) one-fourth of one percent of said principal amount, plus (b) an additional one-fourth of one percent of said principal amount for each year or fraction of a year from the redemption date to the maturity date of the bonds. All of such Series of 1976 Bonds may be so redeemed at any one time. If less than all of said bonds are so redeemed at any one time, such bonds shall be redeemed in inverse order of maturities and by lot within a maturity.

Trustee and Paying Agents

The Crocker National Bank, San Francisco, California, has been appointed by the Corporation as Trustee. The Trustee will receive all of the bond proceeds and will disburse bond moneys in conformity with the Indenture. In addition to holding and administering the various funds of the Corporation, the Trustee will invest the funds held in trust and will be the recipient of the rental revenues of the Corporation relating to the Project. The Trustee will also act as Paying Agent of the Corporation, paying bond interest and principal. The Trustee will act as bond registrar and will authenticate all bonds.

Interest and principal are payable in lawful money of the United States of America at the principal office of the Trustee, Crocker National Bank, in San Francisco, California, and in the case of coupon bonds, at the option of the holder at the principal office of Chase Manhattan Bank, N.A., in New York, New York, or at the office of First National Bank of Chicago in Chicago, Illinois.

Form, Denomination, and Registration

The Series of 1976 Bonds will be issued as coupon bonds in the denomination of \$5,000, or as fully registered bonds in the denomination of \$5,000 or any multiple thereof so long as principal shall mature in only one year. Coupon bonds and fully registered bonds will be interchangeable at the office of the Trustee as provided for in the Indenture.

CUSIP Numbers

It is anticipated that CUSIP numbers will be printed on the Series of 1976 Bonds but neither failure to print such numbers on any Series of 1976

Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series of 1976 Bonds in accordance with the terms of the purchase contract. All expenses in relation to the assignment and printing of CUSIP numbers on the Series of 1976 Bonds shall be paid by the Corporation.

Litigation

There is no litigation pending concerning the validity of the Bonds, and the Corporation will furnish to the successful bidder a no-litigation certificate certifying to the foregoing at the time of the delivery of the Series of 1976 Bonds.

The present California system of levying taxes and applying funds for public school purposes has been held unconstitutional under provisions of the California Constitution by a California Superior Court in *Serrano v. Priest*, and an appeal is pending before the California Supreme Court. The Superior Court judgment provides that the existing system of financing schools shall continue to operate for a reasonable length of time (not to exceed six years from 1974) so that a constitutional system can be placed into operation.

The outcome of this litigation, any resulting change in the sources of funds, including property taxation, applied to the support of public schools and any effect thereof on the moneys available to the District to pay rent under the Facility Lease which is the security on the Series of 1976 Bonds are not determinable at this time. However, it is not believed that such litigation will affect the validity of the Facility Lease during its term, even though such litigation may affect the ability of the District to levy the voted tax override.

Possible Change in District Boundaries

The Walnut Creek Elementary School District Board of Education recently proposed to the Contra Costa County Committee on School District Organization, that a unified school district be formed in Walnut Creek.

This proposal, if adopted, would include and transfer to the proposed Walnut Creek Unified School District a portion of the present San Ramon Valley Unified School District. The San Ramon Valley Unified School District reports that the por-

tion of present assessed valuation to be lost if the proposal were to be adopted approximates 10% of the 1975/76 assessed valuation or approximately \$23,000,000.

On June 2, 1976 the Contra Costa County Committee on District Organization rejected this proposed unification plan. The Walnut Creek Elementary School District may now: (1) accept the Contra Costa County Committee on District Organization's decision; (2) resubmit the reunification plan to the Contra Costa County Committee with a change in the area being considered; or (3) petition to submit the original proposal, or any modification, directly to the State Board of Education.

Education Code Section 15710.5 provides that whenever electors of a school district have approved at an election an increase in the maximum tax rate of the district to enable the district to enter into a lease for a site or building or both, and before such lease is entered into or during the term of such lease territory is taken from the district or annexed to or included in another district by any means, the acquiring district shall assume and shall pay to the district from which the territory is transferred a proportionate share of any payment due under the lease.

Legal Opinion

The legal opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel to the Corporation, approving the validity of the Series of 1976 Bonds, will be furnished to the purchasers without charge at the time of the original delivery of the Series of 1976 Bonds. A copy of the legal opinion will be printed on each bond. See the concluding paragraph of the "To Whom It May Concern" section of this Official Statement regarding the scope of bond counsel's review of this Official Statement.

Bond counsel's fee is payable from the proceeds of the bonds and is contingent upon bond delivery, except if the bonds are not issued and the project is abandoned, bond counsel will receive a fee based upon the amount of work performed to said time of abandonment.

Tax Exempt Status

In the opinion of bond counsel, the interest on the bonds will be exempt from all present Federal income taxes under existing statutes, regulations, and court decisions, and the bonds will be exempt from

all present taxation in California other than inheritance, estate, gift and franchise taxes.

Legality for Investment

It is believed that the Series of 1976 Bonds will be eligible for security for deposits of public moneys in California. See footnote 3, Table 10 on page 24.

Eligibility for National Banks

A request is being made to the Comptroller of the Currency for a ruling that the Series of 1976 Bonds of the Corporation are eligible for purchase, dealing in, underwriting and unlimited holding by national banks. The ruling is expected prior to the date of sale of the Series of 1976 Bonds.

Sale of Bonds in California

The Division of Corporation Finance of the United States Securities and Exchange Commission has issued a "no-action" letter to the Corporation stating that the Division of Corporation Finance will not recommend any action to the Securities and Exchange Commission if the proposed bond offering is made without prior compliance with the registration requirements of the Securities Act of 1933 or qualification of the Indenture under which the Series of 1976 Bonds are to be issued under the Trust Indenture Act of 1939. The Commissioner of Corporations of the State of California has issued an interpretive opinion stating that the Series of 1976 Bonds are exempt from the qualification requirement of Section 25110 of the California Corporate Securities Law of 1968. The Series of 1976 Bonds are being offered and sold without registration under the Securities Act of 1933 or qualification of the Indenture under the Trust Indenture Act of 1939, and without qualification under the California Corporate Securities Law of 1968, in reliance upon such "no-action" letter and such interpretive opinion.

Resale of Bonds in Other States

The Corporation will furnish to prospective purchasers an information memorandum covering applicability of blue-sky laws in all 50 states, the District of Columbia and Puerto Rico. The memorandum will indicate states in which no action is believed necessary to qualify the Series of 1976 Bonds for offer and sale, states in which the Corporation is taking action to qualify the Series of 1976 Bonds for

offer and sale or to obtain exemptions, and states in which additional action is believed necessary to qualify the Series of 1976 Bonds for offer and sale. The purchaser will assume responsibility for any required permits and/or filing fees in states in which additional action is believed necessary, and for complying with the laws of all jurisdictions on resale of the Series of 1976 Bonds, and shall indemnify and hold harmless the Corporation and its officers and directors from any loss or damage resulting from any failure to comply with any such law.

Purpose of Issue

The Series of 1976 Bonds are to be issued to finance the construction of school facilities at the present California High School and San Ramon High School and to construct a new intermediate school ("Project Phase I"), all for lease to the San Ramon Valley Unified School District, Contra Costa County, California, as more fully described in "The Project" section of this Official Statement.

Security

The Series of 1976 Bonds will be valid, binding, and legal general obligations of the Corporation secured under the Indenture by the assignment, transfer in trust, transfer of security interest in, and pledge of the trust estate, including the following, to the Crocker National Bank, San Francisco, California, as Trustee:

(1) The leasehold estate of the Corporation in real property under the Site Lease (Project Phase I) between the District, as lessor, and the Corporation, as lessee;

(2) All rights, title, and interest of the Corporation under the Facility Lease (Project Phase I) between the Corporation, as lessor, and the District, as lessee; and

(3) All of the revenues derived by the Corporation from the use and operation of the Project Phase I to be acquired and constructed pursuant to the Site and Facility Leases.

Series of 1976 Bonds principal and interest coming due each year will be payable from semiannual base rental payments to be made by the District for use of the Project Phase I facilities. The District's annual base rental specified in the Facility Lease will be in an amount sufficient to pay principal and

interest on the Series of 1976 Bonds. Based on an estimated interest rate of 7½ percent that may be bid on the Series of 1976 Bonds, the District's annual base rent would be \$1,137,000. The exact amount of the semiannual base rental payment payable by the District will be established subsequent to the determination of the interest rates the Series of 1976 Bonds will bear.

Under provisions of the Facility Lease, the District will also be obligated to pay to the Corporation additional rent, not to exceed \$10,000 annually, to meet administrative costs of the Corporation attributable to Series of 1976 Bonds.

Authorized District Tax Rate Increase. At an election held on May 27, 1975, voters of the District approved an increase of 39¢ per \$100 assessed valuation in the District's maximum annual tax rate over the period 1975/76 to 2000/2001 for the purposes of (1) preparing plans and specifications and (2) leasing the new South Intermediate School, classroom building addition at California High School, and classroom additions and remodeling at San Ramon Valley High School all to be constructed for use by the District.

The District levied 28.1¢ per \$100 assessed valuation of the authorized 39¢ per \$100 assessed valuation tax rate increase in 1975/76. The levy will provide approximately \$617,000 in fiscal year 1975/76.

The District will levy 37.7¢ per \$100 assessed valuation of the authorized 39¢ per \$100 assessed valuation tax rate increase in fiscal year 1976/77. This levy will provide approximately \$1,089,000 based upon the preliminary 1976/77 assessed valuation of \$289,000,000 as provided by the Contra Costa County Assessor. These total 1975/76 and 1976/77 levies will provide approximately \$1,706,000 to pay on a cash basis the cost of furniture and equipment, architect fees, connection fees, off-site development and various miscellaneous costs.

Projected Revenue Base. The District's estimated annual base rent payable to the Corporation in semiannual installments beginning September 15, 1978 is estimated at \$1,137,000 assuming an interest rate of 7½ % is bid on the Series of 1976 Bonds. The money derived from the District's lease authorization tax levied in fiscal year 1977/78 will be used for the September 15, 1978 and March 15, 1979 lease payments. The money derived from subsequent

fiscal year lease authorization taxes will be used for subsequent September 15 and March 15 lease payments up to and including March 15, 1996 in an amount sufficient to pay base rental obligations, and additional rental obligations not to exceed \$10,000 annually, pursuant to the Facility Lease (Project Phase I).

Over the five-year period 1971/72 through 1975/76 the District's assessed valuation for revenue purposes increased from \$121,959,820 to \$230,012,173, or at an annual average increase of \$27,013,088. If the District's assessed valuation for revenue purposes should increase at the rate of approximately 50 percent of the annual average increase experienced over the five-year period 1971/72 through 1975/76 (\$13,500,000), the District's projected assessed valuation for revenue purposes for the five-year period beginning in 1977/78 (the first year in which the lease authorization tax will be levied to pay Project Phase I rent obligations) would be shown in the tabulation below. The preliminary 1976/77 assessed valuation of \$289,000,000, as supplied by the Contra Costa County Assessor's Office, is used as the base year for computing the tabulation below.

Fiscal Year	Projected Assessed Valuation for Revenue Purposes \$(1,000) ①
1977/78	\$302,500
1978/79	316,000
1979/80	329,500
1980/81	343,000
1981/82	356,500

① Based on an increase from the preliminary 1976/77 assessed valuation for revenue purposes (\$289,000,000 as supplied by the Contra Costa County Assessor) at the annual rate of \$13,500,000, or approximately 50% of the average annual increase in assessed valuation for revenue purposes experienced by the District from 1971/72 to 1975/76.

Projected Project Phase I Rental Tax Rate. As previously stated, the District is empowered to levy the lease authorization tax at a rate not to exceed 39¢ per \$100 assessed valuation over the period 1975/76 to 2000/2001. It is estimated that the annual rental for Project Phase I facilities will be \$1,147,000 consisting of \$1,137,000 base rental plus \$10,000 additional rental.

Based on the preliminary 1976/77 assessed valuation of \$289,000,000 as supplied by the Contra Costa County Assessor, the authorized 39¢ per \$100 assessed valuation tax rate increase will provide for more than 98% of the \$1,147,000 total rental based on an estimated interest rate of 7½% bid on the Series of 1976 Bonds. District will actually levy for rental payments beginning in fiscal year 1977/78 as provided for in the facility lease.

The tabulation below shows the estimated portion of the 39¢ per \$100 assessed valuation lease authorization tax which would be required to generate funds to meet annual estimated rental payment for Project Phase I facilities. District will levy for rental payments beginning in fiscal year 1977/78.

Fiscal Year	Projected Revenue Base① (\$1,000's)	Project Phase I Estimated Annual Rent②	Estimated Tax Rate per \$100 Revenue Base③
1977/78 ...	\$302,500	\$1,147,000	37.9¢
1978/79 ...	316,000	1,147,000	36.3¢
1979/80 ...	329,500	1,147,000	34.8¢
1980/81 ...	343,000	1,147,000	33.4¢
1981/82 ...	356,500	1,147,000	32.2¢

① Based on an increase from preliminary 1976/77 assessed valuation of \$289,000,000 as supplied by the Contra Costa County Assessor at the annual rate of \$13,500,000 or approximately 50% of the average annual increase in revenue base experienced by District from 1971/72 to 1975/76.

② Based on estimated interest rate of 7½% on the Series of 1976 Bonds and additional rent of \$10,000 per year.

③ Under Sections 4701-4717 of the State Revenue and Taxation Code, which the county of Contra Costa has elected to utilize, the District is presently guaranteed the full amount of its annual tax levy regardless of the amount actually collected.

The estimated rental is based on the following assumptions: (1) actual Project Phase I construction costs as bid, (2) an estimated bid of 7½ percent per annum interest rate on Bonds issued to finance the construction of Project Phase I school facilities, (3) funded interest during and for seven months beyond the expected completion date of the South Intermediate School and California High School and two months beyond the expected completion date of San Ramon Valley High School, and (4) the funding of a bond service reserve equal to estimated one-half maximum annual debt service.

Additional Series of Bonds

The Corporation does not, at this time, plan to issue additional series of bonds. Additional parity bonds may be issued under the Indenture and would be equally and ratably secured under the Indenture with the Series of 1976 Bonds.

The Indenture

The following summary of major provisions of the Indenture under which the Series of 1976 Bonds will be secured is presented below. The summary does not provide a complete and detailed description of all provisions of the Indenture and prospective purchasers of the Series of 1976 Bonds are referred to the proposed form of Indenture contained in the Basic Legal Documents accompanying this Official Statement.

The Trustee. Crocker National Bank, San Francisco, California has been appointed by the Corporation as Trustee. The Trustee will receive all of the bond proceeds and revenues of the Corporation for disbursement in conformity with the Indenture. In addition to administering the various funds of the Corporation, the Trustee will invest all funds held in trust, act as paying agent for the Corporation's Series of 1976 Bonds and act as bond registrar.

Creation of Special Funds. The Indenture provides for the establishment of special trust funds, all to be held and administered by the Trustee. The funds applicable to the Series of 1976 Bonds and any additional series of bonds together with their sources and uses are summarized in the tabulation on page 11. Moneys held in the various funds may be invested by the Trustee under the provisions of Section 4.04 of the Indenture.

Disposition of Bond Proceeds. The Indenture provides that the proceeds from the sale of the Series of 1976 Bonds shall be deposited with the Trustee. The Trustee will then make the following deposits:

(1) *Interest Fund.* An amount sufficient to pay the interest accruing on the Series of 1976 Bonds on and before April 1, 1978.

(2) *Corporate Operation Fund.* The sum of \$10,000 which is to be maintained as working capital to pay Corporation administrative expenses, Trustee's fees, or other necessary administrative expenses.

(3) *Reserve Fund.* A sum equal to one-half maximum annual debt service on the Series of 1976 Bonds.

(4) *Construction Fund.* The balance of proceeds from the sale of Series of 1976 Bonds which shall be applied to the payment of costs of Project Phase I.

When Project Phase I has been completed, a certificate of the Corporation stating the fact and date of such completion, together with the Architect's certificate stating the fact and date of such completion, shall be delivered to the Trustee by the Corporation. With the receipt of these certifications the Trustee shall transfer any remaining balance not needed for Project Phase I purposes to the Revenue Fund.

Revenue Fund. All base rental revenue shall be paid to the Trustee and deposited by the Trustee to the credit of the Revenue Fund. Moneys in the Revenue Fund shall be disbursed, applied, or set aside by the Trustee in the following order of priority:

(1) *Interest Fund.* Commencing on or before September 30, 1978, and on or before March 31 and September 30 of each year thereafter, an amount equal to the aggregate half-yearly amount of interest becoming due and payable on the outstanding Bonds on the next succeeding interest payment date, less any available balances in said fund.

(2) *Principal Fund.* On or before each September 30, beginning September 30, 1978, an amount at least equal to one-half of the Bond principal payable on the next succeeding April 1, and on or before each March 31, beginning March 31, 1979, an amount which, along with any balance on deposit, shall be at least equal to the principal payable on the next succeeding April 1.

(3) *Operation and Maintenance Fund.* If the Corporation shall at any time operate the Project, on or before each March 31 and each September 30 the Trustee shall deposit an amount needed to provide for payment of all costs of operation and maintenance during the next six months.

(4) *Reserve Fund.* A Reserve Fund equal to one-half maximum annual bond service will be created from the proceeds of the Series of 1976 Bonds and held by the Trustee. Moneys in this

Fund shall be used to pay bond principal and interest in the event no other funds are available, and moneys in this Fund in excess of one-half of maximum annual debt service may be used for the repair, reconstruction, or replacement of any damaged or destroyed portion of the Project or for the loss of rental income not insured against because of the thirty-day deductible amount. Excess balances in this Fund exceeding maximum annual debt service on outstanding bonds shall be used to the extent needed to increase the balance in the Corporate Operation Fund to the amount required to be on deposit in said Fund and any remaining excess amounts shall be paid to the District, unless needed to be held for subsequent debt service.

Moneys in the Reserve Fund, Principal Fund, and Interest Fund may be used by the Trustee to reimburse the District for any rental payable under the Facility Lease for a period during which rent is abated and for which no other moneys (including

proceeds of the rental interruption or use and occupancy insurance) are available.

Corporate Operation Fund. The Trustee shall deposit in the Corporate Operation Fund from time to time all amounts received in the form of additional rental sufficient to maintain a balance of \$10,000, said moneys to be used to pay all administrative costs of the Corporation.

Investment of Funds. Any moneys in any of the funds may be invested in time deposits including certificates of deposit of banks or in Federal securities, subject to limitations as set forth in the Indenture.

Moneys in the Revenue Fund may be invested in obligations which will mature within six months from the date of investment. Moneys in the Interest Fund and in the Principal Fund may be invested in obligations which will, as nearly as practicable, mature on or before the respective semiannual interest payment dates or annual Bond maturity.

TRUST FUNDS

Fund	Principal Source	Use
Construction Fund (Section 3.03)	Bond Proceeds	Construction, and incidental expenses of bond issuance and delivery.
Revenue Fund (Section 4.01)	District Base Rental Payments	Transfers to Interest Fund; Principal Fund; Operation and Maintenance Fund, if needed; Reserve Fund, if needed; and Corporate Operation Fund.
Interest Fund (Section 4.02(a))	Transfers from Revenue Fund	Bond interest payments.
Principal Fund (Section 4.02(b))	Transfers from Revenue Fund	Bond principal payments.
Operation and Maintenance Fund (Section 4.02(c))	Transfers from Revenue Fund	To meet costs of operation and maintenance if at any time the Corporation shall operate and maintain the Project.
Reserve Fund (Section 4.02(d))	Bond Proceeds and, if depleted, Revenue Fund	Bond principal and interest; payment of final maturities; payment for Project repairs or replacement.
Corporate Operation Fund (Section 4.03)	Bond Proceeds, District Additional Rental Payments, and transfers from Reserve Fund, if needed	Corporate operating expenses.

Moneys in the Construction Fund and the Corporate Operation Fund may be invested in obligations which will mature within one year from the date of investment. One-half of the moneys in the Reserve Fund may be invested in obligations which will mature within ten years from the date of investment, and one-half in obligations which will mature within twenty years from the date of investment.

All interest earned on any such investment shall become part of the fund on which earned, except that such interest earnings received or accrued on Interest Fund and Reserve Fund moneys during construction of any phase of the Project shall be transferred to the appropriate Project Construction Account.

Additional Series of Bonds. Although the Corporation does not plan, at this time, to issue additional series of Bonds, Section 3.04 of the Indenture permits the issuance of one or more additional series of parity bonds by supplemental indenture(s) subject to, among other things, the following conditions:

(1) The Corporation shall not be in default under provisions of the Indenture;

(2) The supplemental indenture shall require that the additional series of bonds will be issued for the purposes of acquiring or constructing additional public school facilities for the District, or the making of additions, improvements, or extensions to the Project;

(3) The additional series of bonds shall have no priority over the Series of 1976 Bonds;

(4) The Corporation must enter into a new or amended Facility Lease with the District in which the District obligates itself to increase the base rental under all Facility Leases in amounts sufficient to provide for the payment of the principal of and interest on the additional series of bonds when due;

(5) Provision must be made to increase the Reserve Fund to an amount equal to at least one half maximum annual bond service on all series of bonds to be outstanding thereafter.

Additional series of bonds may also be issued with the consent of the holders of 60 percent of outstanding bonds.

Title Insurance. A policy of title insurance insuring either the leasehold interest title of the Corporation in the real property described in the Site Lease or the title of the District in such real property will be provided at or prior to delivery of the Series

of 1976 Bonds. Said policy will be enforceable for the benefit of the bondholders in the principal amount of the Series of 1976 Bonds.

Fire and Extended Coverage Insurance. While any of the Bonds are outstanding, the Corporation shall cause to be maintained insurance against loss or damage to any structures constituting part of the Project by fire and lightning with extended coverage and vandalism and malicious mischief insurance. Such insurance shall either (1) be in an amount equal to the replacement cost of the structures subject to deductible clauses of not to exceed the lesser of \$100,000 or the excess of the available moneys in the Reserve Fund above one-half of maximum annual debt service for any one loss, or (2) be in an amount and in form sufficient to enable the Corporation either to retire all Bonds then outstanding or to restore the structures to the condition existing before such loss.

Earthquake Insurance. Upon completion of any part of the Project, the Corporation shall procure and maintain earthquake insurance in an amount equal to the replacement cost of the structures, provided coverage is available on the open market from reputable insurance companies. Such insurance may be subject to a deductible clause of not to exceed 10% of said replacement cost for any one loss. The construction contracts provide that the Corporation shall provide earthquake insurance subject to a 2% deductible during construction. Alternatively, the Corporation may provide earthquake insurance in an amount and form to enable the Corporation either to retire all bonds then outstanding or to restore the structures to the condition existing before such loss.

Use and Occupancy Insurance. While any of the Bonds are outstanding, the Corporation shall cause to be maintained use and occupancy or rental interruption insurance to cover total or partial loss of rental income from any structure constituting the Project facilities resulting from damages discussed in the "Fire and Extended Coverage Insurance" and "Earthquake Insurance" paragraphs above in an amount sufficient to pay the total rental due for the period of time allowed for the construction of the structures by the construction contractors plus three months subject to a deductible clause of thirty days, except that such insurance need be maintained as to the peril of earthquake only following completion of construction and only if available on the open market from reputable insurance companies.

Public Liability Insurance. While any of the Bonds are outstanding the Corporation shall cause to be maintained public liability insurance. Minimum liability limits for such insurance are \$1,000,000 for personal injury or death of one person; \$3,000,000 for personal injury or death of two or more persons in each event; and \$200,000 subject to a deductible clause not to exceed \$5,000, for property damage from each event. Such public liability and property damage insurance may however be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks.

Eminent Domain. If all or any part of the trust estate shall be taken by eminent domain proceedings, or sold under threat thereof, the proceeds therefrom shall be deposited with the Trustee and applied and disbursed as follows: (a) to be treated as revenues of the Project if the Project's operation has not been materially affected or the Corporation's ability to meet its obligations has not been impaired; or the proceeds shall be used if needed for repair or rehabilitation of the Project; (b) to be used to redeem Bonds if less than all of the Project shall have been taken by eminent domain and if the Project's operation has been materially affected, or the Corporation's ability to meet its obligations has been impaired; and (c) if all of the Project shall have been taken by eminent domain, the proceeds therefrom and any other available monies shall be used to redeem Bonds. If said monies are insufficient the Trustee shall first apply the proceeds to meet the Trustee's costs of administration of its trusts under the Indenture and then to payment of principal and interest on the Bonds then outstanding, in full or ratably without preference or priority.

Non-Liability of Individuals. No recourse shall be had for the payment of the principal of or the interest on the Bonds or for any claim based thereon or otherwise in respect thereof, or based on or in

respect of the Indenture or any indenture supplemental thereto, against any incorporator, member, director or officer, as such, past, present or future, of the Corporation or of any predecessor or successor corporation, either directly or through the Corporation or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being by the acceptance of the Bonds and as part of the consideration for the issue thereof expressly waived and released, as provided in the Indenture.

Additional Covenants. The Indenture contains other covenants, including but not limited to the following whereby the Corporation agrees to:

- (1) Punctually pay the principal and interest on the Bonds as they become due;
- (2) Promptly collect all rents and charges due for the occupancy or use of the Project and to enforce its rights against any tenant who does not pay such rents and charges as they become due;
- (3) Maintain, or cause to be maintained, proper books of record and account;
- (4) Maintain, or cause to be maintained, in good condition and repair the Project facilities;
- (5) Construct and complete Project Phase I in conformity with the construction contracts (under the construction contracts 100% performance bonds and 100% labor and materialmen's bonds will be required of the contractors);
- (6) Pay, discharge, or contest any taxes, assessments, or other charges upon the Project or the revenues.

Estimated Annual Bond Service

Table 2 shows estimated annual bond service on the Corporation's Series of 1976 Bonds based on a 7½% interest rate that may be bid on the Series of 1976 Bonds.

Table 2

SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT EDUCATIONAL FACILITIES CORPORATION

\$11,000,000 Principal Amount Series of 1976 Bonds

Estimated Annual Bond Service

Year Ending April 1	Principal Outstanding April 1	Interest October 1 at 7½ %	Interest April 1 at 7½ %	Principal Maturing April 1	Estimated Total Bond Service
1977	\$11,000,000	—	\$ 618,750.00 ^①	—	\$ 618,750
1978	11,000,000	\$ 412,500.00 ^①	412,500.00 ^①	—	825,000
1979	11,000,000	412,500.00	412,500.00	\$ 300,000	1,125,000
1980	10,700,000	401,250.00	401,250.00	325,000	1,127,500
1981	10,375,000	389,062.50	389,062.50	350,000	1,128,125
1982	10,025,000	375,937.50	375,937.50	375,000	1,126,875
1983	9,650,000	361,875.00	361,875.00	400,000	1,123,750
1984	9,250,000	346,875.00	346,875.00	450,000	1,143,750
1985	8,800,000	330,000.00	330,000.00	475,000	1,135,000
1986	8,325,000	312,187.50	312,187.50	500,000	1,124,375
1987	7,825,000	293,437.50	293,437.50	550,000	1,136,875
1988	7,275,000	272,812.50	272,812.50	600,000	1,145,625
1989	6,675,000	250,312.50	250,312.50	650,000 ^②	1,150,625
1990	6,025,000	225,937.50	225,937.50	700,000 ^②	1,151,875
1991	5,325,000	199,687.50	199,687.50	750,000 ^②	1,149,375
1992	4,575,000	171,562.50	171,562.50	800,000 ^②	1,143,125
1993	3,775,000	141,562.50	141,562.50	850,000 ^②	1,133,125
1994	2,925,000	109,687.50	109,687.50	900,000 ^②	1,119,375
1995	2,025,000	75,937.50	75,937.50	975,000 ^②	1,126,875
1996	1,050,000	39,375.00	39,375.00	1,050,000 ^②	1,128,750
Total		\$5,122,500.00	\$5,741,250.00	\$11,000,000	\$21,863,750

① Funded from Bond Proceeds.

② Callable on or after April 1, 1988.

THE PROJECT

Proposed Facilities

Proceeds from the sale of the \$11,000,000 Series of 1976 Bonds currently being offered for sale by the San Ramon Valley Unified School District Educational Facilities Corporation will be used to finance the construction of the following school facilities: (1) a new South Intermediate School, (2) classroom addition at California High School and, (3) classroom additions and remodeling at San Ramon High School.

Project Implementation

On May 27, 1976 the Corporation opened sealed competitive bids for construction of South Intermediate School. The lowest responsible bid with alternates to be accepted was submitted by Barnhart Construction Company of Santa Clara, California in the amount of \$3,542,400.

On June 10, 1976 the Corporation opened sealed competitive bids for the construction at California High School. The lowest responsible bid with alternates to be accepted was submitted by C. Overaa and Company of Richmond, California in the amount of \$1,208,555.

On June 15, 1976 the Corporation opened competitive bids for the construction at San Ramon High School. The lowest responsible bid with alternates to be accepted was submitted by S. J. Amoroso Construction Co., Inc., of Foster City, California in the amount of \$3,798,363.

Upon delivery of the Bonds, the Corporation will enter into construction contracts with Barnhart Construction Company, C. Overaa and Co. and the S. J. Amoroso Construction Co., Inc. for the above described facilities. The Office of State Architecture and Construction has approved the plans and specifications for the Project Phase I facilities and has certified their conformance to fire, safety, and earthquake structural safety standards.

The governing board of the District determined on March 16, 1976 (South Intermediate School)

and on June 21, 1976 (California High School and San Ramon High School) that Project Phase I would not have a significant adverse impact on the environment, pursuant to the California Environmental Act of 1970, Division 13 of the Public Resources Code. A Notice of Determination was filed on March 23, 1976 (South Intermediate School) and is expected to be filed on or about June 30, 1976 (California High School and San Ramon High School) with the County Clerk of Contra Costa County so stating.

Completion of South Intermediate School and the addition at California High School is expected by September of 1977. Completion of additions and remodeling of San Ramon High School is expected during January of 1978. The tabulation on this page shows estimated costs of the Project Phase I and Bond issue requirements.

A labor and materials bond of 100% of the contract amount and a performance bond of 100% of the contract amount is required of each contractor. Each contractor is also required by the construction contract to carry public liability and property damage and workmen's compensation insurance during the construction period and until the buildings have been accepted by the District and the Corporation. Fire, lightning, vandalism, malicious mischief, and extended coverage insurance during the construction period and until the buildings have been accepted by the District and the Corporation will be provided by the Corporation. The Corporation is also required

to maintain earthquake insurance during the construction period, against loss or damage by earthquake in an amount not less than the replacement value of the properties, subject to a 2% deductible clause for any loss.

**SAN RAMON VALLEY
UNIFIED SCHOOL DISTRICT
EDUCATIONAL FACILITIES CORPORATION
Project Costs and Bond Issue Requirements^①**

Construction	\$ 8,549,318
Construction Testing	74,000
Construction Contingency	236,480
Inspection Costs	82,120
Tests and other miscellaneous costs ..	28,000
Insurance	100,000
Costs of Bond Issuance	120,000
Subtotal	<u>\$ 9,189,918</u>
Add: Funded Interest to April 1, 1978 at 7½ %	1,443,750
Bond Reserve (one-half maximum annual bond service)	<u>575,938</u>
Total Project Phase I Costs ...	\$11,209,606
Less: Income from investment of proceeds from Series of 1976 Bonds during construction at 5%	<u>209,606</u>
	<u>\$11,000,000</u>

^① See "Authorized District Tax Rate Increase" Section, page 8, for 1975/76 and 1976/77 pre lease tax money levies and their uses.

DISTRICT ORGANIZATION AND FINANCIAL DATA

The information contained herein concerning the San Ramon Valley Unified School District is included because the District is the proposed lessee of Project Phase I. The Series of 1976 Bonds are however bonds of the Corporation and are not a debt or obligation of the District.

Organization

The San Ramon Valley Unified School District provides elementary and secondary school educational services to residents of a 102 square-mile area in south-central Contra Costa County that includes the unincorporated communities of Alamo, Danville, San Ramon and Diablo and a small portion of the city of Walnut Creek. The District has operated as a unified school district under the laws of the State of California since July 1, 1965 and encompasses the former San Ramon School District, Alamo School District, Danville Union School District, and San Ramon Valley Union High School District.

The District is governed by an independent Board of Education of five members who are elected at-large for overlapping four-year terms. The Superintendent,

who is appointed by the Board of Education, administers the District's affairs in accordance with policies of the Board of Education. The present superintendent, Mr. Allan J. Petersdorf, has served the District in this capacity since 1973. Mr. Petersdorf has had more than 27 years of professional experience in public education and administration.

Facilities and Attendance

The District's facilities include 11 elementary schools, 2 intermediate-junior high schools, 3 senior high schools, and 1 continuation school. The District's 1975/76 budget, which exceeds \$18,700,000, provides for the employment of 547 full-time certificated, 200 full-time classified, 42 administrative (certificated), 148 part-time classified and 17 part-time certificated employees.

Table 3 shows District assessed valuations, average daily attendance, and assessed valuation per student in average daily attendance since 1971/72. These data indicate the District's assessed valuation increased approximately 88.6 percent and assessed valuations per unit of average daily attendance increased approximately 53.6 percent. Average daily attendance estimated at 12,839 in 1975/76 represents an increase of approximately 22.8 percent since 1971-72.

Assessed Valuations

The Contra Costa County Assessor assesses property for District tax purposes. The State Board of Equalization reports the 1975/76 Contra Costa County valuations average 26.1 percent of full market

Table 3
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
Assessed Valuation and Average Daily Attendance

Fiscal Year	Assessed Valuation	Average Daily Attendance	Assessed Valuation Per Unit Average Daily Attendance
1971/72	\$121,959,820	10,458	\$11,662
1972/73	143,393,980	11,252	12,744
1973/74	159,543,384	11,860	13,452
1974/75	183,901,239	12,366	14,872
1975/76	230,012,173	12,839 ^①	17,915

^① Estimated during the period September 1975 through June 1976.

Sources: Contra Costa County Auditor-Controller (Assessed Valuations), and San Ramon Valley Unified School District (Average Daily Attendance).

value, except for public utility property, which is assessed by the State at 25 percent of full value.

Under California law two types of exemptions of property from ad valorem taxes became effective in the 1969/70 fiscal year. One exempts 50 percent of the value of business inventories from ad valorem taxes. The other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. Under a recently enacted Constitutional Amendment, the California Legislature can raise this exemption. Revenue estimated to be lost to each taxing entity as a result of these exemptions is fully reimbursed to the taxing entity from state funds. The reimbursement is based upon total taxes which would be due on the assessed valuation of the property qualifying for these exemptions, without allowance for tax collection delinquencies.

In 1975/76, District homeowners' and business inventory exemptions totaled \$23,443,633. Table 4 shows a five-year history of the District's assessed valuations by the tax roll prior to deductions for the two previously discussed special exemptions.

Revenue Limitations

Since 1973/74, California school districts have operated under general purpose property tax revenue limitations established in legislation adopted in 1973. This legislation, however, does not affect a voter-approved maximum tax rate increase to enable a school district to lease facilities for its use and occupancy. The Board of Supervisors of Contra Costa County is also required to levy ad valorem taxes without limit as to rate or amount to meet general obligation debt service of the District.

Since 1973/74 allowable general purpose annual tax rates to be applied to a district's assessed valua-

tion have been derived from a statutory formula which takes into account a number of factors including adjustments for inflation, limited mandatory contributions to the Teachers' Retirement System, basic state aid, state equalization aid, changes in average daily attendance, and prior year's tax collections. The tax required to raise the general purpose monies is the District's maximum general purpose tax rate.

In 1974/75 the District's general purpose revenue limit per unit of average daily attendance and general purpose tax rate were: \$1090.70 and \$5.088 per \$100 assessed valuation, respectively.

In 1975/76, the general purpose revenue limit per unit of average daily attendance is \$1164.03 with a general purpose tax rate of \$5.056 per \$100 of assessed valuation.

Tax Rates

Section 1907 of the Education Code permits the issuance of authorized unissued general obligation bonds of a pre-unification school district in the name of the unified school district. The authorized general obligation bonds of each component pre-unification school district, if subsequently sold, are payable only from the revenues derived from taxes levied on property located within that particular pre-unification school district until the indebtedness is assumed by the new district. In 1974, general obligation bonds of each of the former elementary school districts of Alamo, Danville Union and San Ramon and San Ramon Union High School District were sold. Therefore, in fiscal years 1974/75 and 1975/76, separate tax rates were in effect for the San Ramon Valley Unified School District. The tax rates for these two years are shown on page 19. A three-year history, 1971/72, 1972/73, 1973/74, of the District's tax rate is shown in Table 5.

Table 4
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
Assessed Valuations by Tax Roll

Tax Roll	1971/72	1972/73	1973/74	1974/75	1975/76
Secured roll	\$111,703,332	\$131,983,096	\$146,741,403	\$169,184,130	\$213,626,636
Unsecured roll	3,460,248	3,794,404	4,250,661	4,991,879	6,165,977
Utility roll	6,796,240	7,616,480	8,551,320	9,725,230	10,219,560
Total	\$121,959,820	\$143,393,980	\$159,543,384	\$183,901,239	\$230,012,173

Source: Contra Costa County Auditor-Controller.

SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT**Tax Rate Distribution by Purpose**

	1974/75			1975/76		
	Alamo ^①	Danville ^①	San Ramon ^①	Alamo ^①	Danville ^①	San Ramon ^①
General Purpose	\$5.088	\$5.088	\$5.088	\$5.056	\$5.056	\$5.056
Community Services .....	.100	.100	.100	.096	.096	.096
State School Building Loan Repayment .....	.099	.099	.099	.183	.183	.183
Lease Authorization Tax ^②	—	—	—	.281	.281	.281
General Obligation Debt Service ..	.927	1.023	.928	.679	.750	.682
Total	\$6.214	\$6.310	\$6.215	\$6.295	\$6.366	\$6.298

① Geographical areas of Alamo, Danville Union, and San Ramon elementary school districts prior to unification in 1965.

② Voter-approved increase not to exceed \$0.39 per \$100 assessed valuation in the District's maximum tax rate for purposes of leasing facilities for use and occupancy by the District in fiscal years 1975/76 through 2000/01.

Source: Contra Costa County Auditor-Controller.

Table 5**SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT****Tax Rate Distribution by Purpose**

	1971/72	1972/73	1973/74
General Purpose	\$4.631	\$4.631	\$5.445
General Purpose (Categorical)	1.222	1.449	.200
State School Building Loan .....	.280	.271	.426
General Obligation Debt Service .....	.774	.618	.906
Total	\$6.907	\$6.969	\$6.977

Source: Contra Costa County Auditor-Controller.

There are 156 tax code areas in the District, 4 located in the incorporated area of Walnut Creek and 152 in unincorporated areas. Tax Code Area 9048 (1975/76 assessed valuation \$14,997,620) is the largest in incorporated areas, and Tax Code Area 66085 (1975/76 assessed valuation \$18,308,858)

is the largest in unincorporated places. All tax rates per \$100 assessed valuation in these two code areas are presented in Table 6.

Total 1975/76 tax rates per \$100 assessed valuation in the District's 156 code areas range from a low of \$11.265 to a high of \$13.891.

Table 6
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
Tax Code Areas 9048 and 66085
1975/76 Tax Rates

Tax Agency	Code Area 9048	Code Area 66085
Contra Costa County	\$ 2.849	\$ 2.849
City of Walnut Creek	1.030	—
Contra Costa Fire Protection District .....	.728	—
Contra Costa Flood Control District .....	.150	.020
County Service Area R-8 .....	.218	—
County Service Area M-4	—	.150
Valley Community Services District	—	1.604
Central Contra Costa Sanitary District .....	.610	—
East Bay Municipal Utility District .....	.136	.136
Bay Area Rapid Transit .....	.447	.447
East Bay Regional Park .....	.198	.198
County School Service .....	.225	.225
San Ramon Valley Unified School District	6.295	6.298
Contra Costa Community College District .....	.727	.727
All other .....	.042 ^②	.038 ^①
	<u>\$13.655</u>	<u>\$12.692</u>

① Includes County Water Agency, Mosquito Abatement District 1, and Bay Area Air Pollution Control District.

② Includes same public agencies as footnote ① plus Alamo Lafayette Cemetery District.

Source: Detailed Tax Rates 1975/76, Office of County Auditor, County of Contra Costa.

A listing of the major taxpayers within the District and their 1975/76 assessed valuation is presented in Table 7.

Table 7
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
Major Taxpayers

Taxpayer	Product/Service	1975/76 Assessed Valuation
Pacific Gas and Electric Company	Utilities (R & D)	\$4,949,440
Western Electric Company	Utilities (manufacturer)	4,485,290
Pacific Telephone and Telegraph Company	Utilities	4,482,760
La Jolla Development Company	Developer	1,575,000
Filper Corporation	Manufacturer	1,436,265
Blackhawk Corporation	Developer	1,176,430
Boise Cascade Corporation	Developer	956,550
M B Associates	Manufacturer	713,470 ^①
Laborers Pension Fund	Land owner	468,250
Wiedemann & Kaplan	Agriculture	463,653

① Unsecured roll, improvements constructed on leased land.

Source: Contra Costa County Assessor.

Tax Levies, Collections, and Delinquencies

District taxes are collected by the Contra Costa County Tax Collector at the same time and on the same tax rolls as are county, city, and special district taxes. Secured roll taxes are due in two installments on November 1 and February 1 of each year and become delinquent on December 10 and April 10, respectively. Unsecured roll taxes are payable March 1 and become delinquent on August 31.

Contra Cost County and its subsidiary public entities presently operate under Sections 4701-4717 of the State Revenue and Taxation Code. Pursuant to these code sections, all entities which levy taxes on the County tax rolls are credited with 100 percent of their respective tax levies in September of each year

after the entities' assessed valuations have been equalized and tax rates have been established. Under this procedure the District is guaranteed the full amount of its annual tax levy regardless of the amounts actually collected. The County has established a delinquency reserve (Guarantee Fund) into which all County-wide penalty collections are deposited. As of June 30, 1975 the Guarantee Fund balance was \$7,515,195. The County may discontinue the use of this procedure upon adoption of a resolution of the County Board of Supervisors.

The San Ramon Valley Unified School District is credited with 100 percent of its tax levies, however an indication of tax delinquencies can be obtained from Table 8. A five-year history of secured tax levies, current collections, delinquency as of June 30 and the rate of tax delinquency is shown in Table 8.

Table 8
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
Secured Tax Levies, Collections and Delinquencies

Fiscal Year	Secured Tax Levy	Amount Collected (June 30)	Amount Delinquent (June 30)	Percent Delinquent (June 30)
1970/71	\$12,604,869①	\$12,101,586	\$503,283	3.99
1971/72	15,680,378①	15,054,492	625,886	3.99
1972/73	8,373,020②	8,167,603	205,417	2.45
1973/74	8,259,304②	8,094,443	164,861	2.00
1974/75	8,376,020②	8,083,745	292,275	3.49

① Levy shown is all taxes collectible by county within the District.

② Levy shown is District General Fund taxes collectible, excluding state subvention for Homeowners Property Tax Relief.

Source: Contra Costa County Auditor-Controller.

General Fund Revenues, Expenditures and Fund Balances

Table 9 summarizes the District's General Fund Revenues and Expenditures over the past five years. Also included in Table 9 is the annual appropria-

tions for the past five years and the annual variation of these appropriations to actual expenditures.

The tabulation below presents the surplus balances in all District funds as of June 30 for the past three fiscal years.

SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
Fund Balances as of June 30

	1973	1974	1975
General Fund	\$ 778,654	\$ 792,509	\$312,839
Bond Interest and Redemption Fund	151,085	157,958	152,462
Building Fund	2,365,116	1,240,245	373,153
Cafeteria Fund	13,116	16,529	26,565

Source: District audit reports for individual years.

Table 9
SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT
Summary of General Fund Revenues and Expenditures

	Fiscal Year				
	1970/71	1971/72	1972/73	1973/74	1974/75
Beginning Balance	\$ 97,189	\$ 594,047	\$ 680,712	\$ 778,654	\$ 792,509
Prior and Current Year Adjustment	85,747	(46,112)	(66,721)	36,443	(69,887)
Adjusted Surplus	182,936	547,935	613,991	815,097	722,622
Revenues:					
Federal Income	\$ 164,451	\$ 165,768	\$ 232,460	\$ 230,520	\$ 292,038
Combined Federal and State Income	—	—	—	38,485	—
State Income	2,782,061	3,163,828	3,604,957	5,710,559	6,074,080
County Income	16,235	8,407	9,119	11,178	59,322
Local Income	5,610,495	7,197,971	8,638,428	8,648,552	8,820,354
Tuition	23,105	16,604	15,273	28,532	9,467
Subtotal	8,596,347	10,552,578	12,500,237	14,667,826	15,255,261
Total Revenue Available	\$8,779,283	\$11,100,513	\$13,114,228	\$15,482,923	\$15,977,883
Expenditures ^①					
Certificated Salaries	—	—	—	—	9,325,308
Classified Salaries	—	—	—	—	2,403,853
Employee Benefits	—	—	—	—	1,544,577
Books, Supplies and Equipment Replacement	—	—	—	—	740,724
Contracted Services and Other Operating Expense	—	—	—	—	873,482
Sites, Buildings, Books, Media and Equipment	—	—	—	—	516,153
Administration	183,788	237,857	282,262	402,751	—
Instruction	5,700,513	6,934,580	7,849,070	9,412,272	—
Health Services	45,497	56,196	68,342	90,753	—
Operation of Plant	636,032	768,956	880,277	1,046,545	—
Maintenance of Plant	242,251	456,562	554,752	466,544	—
Fixed Charges	489,283	682,288	1,256,360	1,566,333	—
Pupil Transportation	243,183	364,480	406,883	437,986	—
Food Services	9,304	10,540	18,945	33,873	—
Capital Outlay	140,816	418,328	509,132	333,979	—
Outgoing Transfers	28,229	24,330	12,000	—	4,937
Community Services	115,108	122,687	119,819	156,697	—
Debt Service	351,232 ^②	342,997 ^②	372,230 ^②	664,816 ^③	227,651 ^③
Tuition	—	—	5,502	77,865	28,359
Total Expenditures	\$8,185,236	\$10,419,801	\$12,335,574	\$14,690,414	\$15,665,044
Appropriations (as adjusted)	8,582,700	10,430,659	12,856,542	14,900,891	15,985,573
Variance	397,464	10,858	520,968	210,477	320,529
Ending Balance	\$ 594,047	\$ 680,712	\$ 778,654	\$ 792,509	\$ 312,839

① Beginning in 1974/75 all school districts in the State of California are required to follow accounting and financial reporting procedures in accordance with revenue source categories and classification object code prescribed by the California State Accounting Manual. Certain expenditure items of prior years cannot, therefore, be directly compared with 1974/75.

② Repayment State and Public School Building Aid Loans.

③ Repayment State School Building Aid Loan.

Source: District audit report for individual years and data furnished by District.

1975/76 Budget

The tabulation below shows a summary of the District's 1975/76 general fund budget, exclusive of general obligation bond service. Total estimated available revenue is \$18,703,816 compared to budgeted expenditures of \$17,726,860. The 1975/76 budget allows for a Contingency Fund (undistributed reserve of \$885,956) as well as General Reserve and Current Assets of \$91,000. The Dis-

SAN RAMON VALLEY

UNIFIED SCHOOL DISTRICT

1975/76 Final General Fund Budget

Revenues	
Estimated Beginning Balance	\$ 312,839
Federal Income	313,591
State Income	5,127,144
County Income	39,397
District Taxes	12,375,401
Other District Sources	529,744
Incoming Transfers	5,700
Total Available Revenue	\$18,703,816
Expenditures	
Certified Salaries	\$ 9,907,955
Classified Salaries	2,464,550
Employee Benefits	1,899,593
Books, Supplies and Equipment Replacement	1,315,154
Contracted Services and Other Operating Expenses	949,737
Sites, Buildings, Books, Media and Other Equipment	786,823
Other Outgo, including State School Building Loan Repayment	403,048
Total Expenditures	\$17,726,860
Appropriations for Contingencies	885,956
General Reserve and Current Assets	91,000
Total	\$18,703,816

Source: Annual Budget Report (Form J-41-B), July 1, 1975 to June 30, 1976, San Ramon Valley Unified School District.

trict reports that it expects to have a general fund ending balance for fiscal year 1975/76 of approximately \$450,000.

Bonding Capacity and Debt Statement

The District's general obligation bonding capacity is equal to 10 percent of assessed valuation after all exemptions except homeowners' and business inventories, as adjusted by the Collier Factor to conform to the statewide average assessment level for all property. Based on the District's 1975/76 assessed valuation, the Contra Costa County Auditor reports that the District's general obligation bonding capacity is \$22,473,715.

The State of California Education Code as applied to this transaction provides that a unified school district shall not enter into any long term leases of buildings if the combination of: (a) 50 percent of the district's rental payments under such leases, plus (b) the outstanding district general obligation bonded indebtedness, exceeds 12.5 percent of the district's net taxable assessed valuation plus homeowners' and business inventories exemptions.

Based on the District's 1975/76 assessed valuation for this purpose (\$230,012,173) the 12.5 percent limit of anticipated lease rentals and general obligation bonded debt equals \$28,751,522. The estimated aggregate lease rentals payable by the District under the Project Phase I Facility Lease include: (a) base rental of \$20,466,000, assuming an interest rate of 7½ percent is bid on the Series of 1976 Bonds, and (b) additional rent not to exceed \$10,000 per year over the term of the Project Phase I Facility Lease, or \$180,000 in the aggregate. Fifty percent of the District's lease obligations (\$10,323,000) plus general obligation bonded debt (\$13,006,000 as provided by Contra Costa County Auditor-Controller) will approximate 81 percent of the District's general obligation bonded debt and lease rental limitation of \$28,751,522.

The direct and estimated overlapping bonded debt of the District is shown in Table 10. The \$11,000,000 principal amount of the Corporation's Series of 1976 Bonds is shown for informative purposes only since bonds of the Corporation are not a debt or obligation of the District.

As of June 30, 1975 the District's State School Building Aid repayable amounted to \$7,537,626. The District's share of authorized and unsold bonds as of July 27, 1976: East Bay Municipal Utility District \$2,868,880.

Table 10

SAN RAMON VALLEY UNIFIED SCHOOL DISTRICT

Statement of Direct and Estimated Overlapping Bonded Debt^①

Estimated Population	45,000
1975/76 Assessed Valuation	\$ 230,012,173 ^②
1976/77 Assessed Valuation (preliminary)	\$ 289,000,000 ^③
Estimated Real Value 1975/76	\$ 882,995,000 ^④
Estimated Real Value 1976/77	\$1,109,002,000 ^⑤

Public Entity	Percent Applicable	Estimated Debt Applicable July 27, 1976
DIRECT AND OVERLAPPING BONDED DEBT:		
San Francisco Bay Area Rapid Transit District	2.261%	\$16,688,405
Contra Costa County and Authorities	8.161	246,860 ^⑥
Contra Costa County Authority	8.164	216,346
East Bay Municipal Utility District	5.123	6,278,237
Central Contra Costa Sanitary District (1957 and subsequent issues) ...	17.232-17.875	1,039,669
San Ramon Valley Unified School District	100.	24,609,000 ^⑦
San Ramon Valley County Water District, ID No. 1	74.972	1,319,507
City of Walnut Creek and Authorities	9.212	809,735
Valley Community Services District	38.534	710,952
County Service Area R-8	7.034	474,795
Southern Ramon Public Utility District	100.	2,000
Concord Hospital District	0.782	6,256
County 1915 Act Bonds	100.	11,637,394
Central Contra Costa Sanitation District 1915 Act Bonds	Various	996,719
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT		\$65,035,875
Less: East Bay Municipal Utility District (90% self-supporting) .		5,650,413
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT .		\$59,385,462

	Ratio to				Per Capita
	Assessed Valuation		Estimated Real Value		
	1975/76	1976/77	1975/76	1976/77	
Assessed Valuation 1975/76	—	—	—	—	\$5,111
Assessed Valuation 1976/77	—	—	—	—	6,422
Direct Debt	10.70%	8.52%	2.79%	2.22%	547
Net Direct and Estimated Overlapping Bonded Debt ..	25.82	20.55	6.73	5.36	1,320

① Compiled in cooperation with California Municipal Statistics, Inc.

② The 1975/76 assessed valuation is before deduction of \$23,443,633 homeowners' and business inventory exemptions, the taxes on which are paid by the State of California.

③ Preliminary 1976/77 assessed valuation as provided by the Contra Costa County Assessor. The Secured and Unsecured Rolls will be finalized on July 1, 1976. The Utility Roll will be finalized on August 7, 1976 (Contra Costa County Assessor). Bond delivery date is anticipated in mid August of 1976. Series of 1976 Bonds are dated July 1, 1976.

④ State Board of Equalization reports that 1975/76 Contra Costa County assessed valuations averaged 26.1 percent of full market value. Public utility property (\$10,219,560) is assessed at 25 percent of full market value by the State Board of Equalization.

⑤ Estimated real value in fiscal year 1976/77 is based on the preliminary \$289,000,000 assessed valuation as provided by the Contra Costa County Assessor and same parameters as stated in footnote 4.

⑥ Excludes share of \$8,656,078 Contra Costa County lease purchase obligations (\$706,423) which are not bonded debt and a share of Valley Community Services District 1911 Act Bonds which are liens on individual land and not debt of any District.

⑦ Includes \$11,000,000 Series of 1976 Bonds to be sold on July 27, 1976, which, being bonds of the Corporation and not of the District, are included for informative purposes only.

Other Indebtedness

The District maintains lease with option to purchase contracts for the use of various portable facilities. The 1976/77 fiscal year lease contracts total \$144,895 as compared to \$135,895 in fiscal year 1975/76. At the end of each fiscal year the District has the option to acquire, return, or continue to rent the various portable facilities.

Employer-Employee Relations

Certificated personnel of the San Ramon Valley Unified School District may be members of several recognized professional organizations of which the American Federation of Teachers and the San Ramon Valley Educators' Association (California Teachers Association Affiliate) are the largest. Classified employees may also be members of professional organizations of which the California School Employee's Association (CSEA) is the largest.

The District has completed negotiating new employment contracts with all personnel. The 1976/77 Budget is to be adopted by the Board of Education on or before August 10, 1976.

Effective July 1, 1976, provisions of the Rodda Act codified as chapter 961 of the 1975 Statutes will affect all school districts in California. In case of labor disputes, local grievance procedures may be operative (if established by contract), or both parties may agree to submit grievances to final and binding arbitration pursuant to rules adopted by the Educational Employment Relations Board, which administers the Act. The Act's provisions with respect to the rights, obligations, and unfair practices applicable to management and labor became effective April 1, 1976. A "good faith" provision requires that contract negotiations begin sufficiently in advance of the final budget adoption date so that an agreement can be reached or an impasse resolved before adoption of the final budget.

Pension Plans

The District participates in the State of California Teachers' Retirement System (STRS). This plan covers basically all full-time certificated employees. The District's contribution to STRS for fiscal year 1974/75 amounted to \$439,433, which includes both current costs and backfunding.

The District also participates in the State of California Public Employees' Retirement System (PERS). This plan covers all classified personnel

who are employed at least 50 percent of the work-week. The District's contribution to PERS for 1974/75 amounted to \$157,552, which includes both current costs and backfunding.

Both systems are operated on a statewide basis. Records are maintained in such a way that information relating to vested benefits, unfunded vested benefits, and prior service costs are not available for the District.

The State Teachers' Retirement System. This System is administered by the State of California with contributions from both employees and employers. The State of California also contributes \$135,000,000 annually until the year 2002; subject to annual legislative appropriation. This \$135,000,000 annual authorization will amortize by the year 2002 the unfunded liabilities incurred prior to 1972 (\$1,747,624,637).

The actuarial method used is a projected benefit cost method where level normal rates sufficient to fund benefits over the entire service life of members are computed. The contribution rates are established to fund current service and interest on the unfunded liabilities not being amortized by the state contribution (\$6,257,975,000). The System's financial statements are prepared on the accrual basis (Annual Financial Report State Teachers' Retirement System, 6/30/74).

As of June 30, 1975, the total unfunded liabilities of the State Teachers' Retirement System were: \$1,747,624,637 (State contribution which is being amortized by the \$135,000,000 annual contribution) and \$6,257,975,000 (member contribution on which interest is being amortized). This unfunded total liability is \$8,005,599,637 (Annual Financial Report, State Teachers' Retirement System, 6/30/75). In 1972, legislation (AB 543) was passed to put the System on a fully funded basis over a period of thirty years. The State Teachers' Retirement System reports that further changes in the contribution rates are now under study.

The Teachers' Retirement System's: actuary is Milliman and Robertson, Inc. of Seattle, Washington; Investment Counsel for equities is B A Investment Management Company, San Francisco, California; auditor is Coopers and Lybrand, Sacramento, California.

The State Public Employees' Retirement System. This System, originally established in 1931, is governed by an eleven member Board of Administration. Administrative functions are carried out under the

direction of an Executive Officer with a current staff of approximately 475. As of June 30, 1975, there were 535,786 members of which approximately 10% are classified as "safety" members (principally fire and police duties) and the balance are classified as "miscellaneous" members (management, administrative, staff, operational and clerical employees).

Approximately 33% of the members are state personnel and the balance (67%) are public agency personnel. As of June 30, 1975, the System provided retirement, death and survivor benefits under 901 contracts for about 1,900 public agency employers (cities, counties, and other public agencies) with 356,517 members. The System's funding is by employer and employee contributions together with investment income. Contributions fluctuate yearly depending on the number of members and their respective salary schedules. The annual contribution by the State of California for the 1974 and 1975 fiscal years, as reported by the State Controller, was \$162,649,578 and \$231,057,854, respectively. The System's financial statements are prepared on an accrual basis of accounting and the System's auditor is Coopers and Lybrand, Sacramento, California. Citicorp Investment Management, Inc., San Francisco, provides investment advisory services. The

System's actuarial activities are conducted internally on a continuous basis, with an experience analysis being conducted no less than every four years.

Total assets of the System at June 30, 1975 were \$7,010,663,041, according to the Annual Report of the State Controller. Of this amount, net assets of \$6,970,264,122 were available for benefits. Comparable figures for June 30, 1974 were \$6,233,924,599 and \$6,207,963,069, respectively. The unfunded obligation of the System was determined to be \$4,907,998,387 at June 30, 1974 by the independent auditors. This represents the present value of future state contributions of approximately \$2.8 billion and other member contributions of approximately \$2.1 billion. The total unfunded obligation does not take into account the provisions of Chapter 187, Statutes of 1975, which prescribed a new increased contribution rate by the state with respect to state miscellaneous members. The comparable amount for June 30, 1975 is not available.

The amount of the respective unfunded liabilities will vary from time to time depending upon the actuarial assumptions utilized, rates of return and salary scales. The present System policy is designed to satisfy the unfunded obligation by the year 2000 (Source: Retirement System).

ECONOMY OF THE DISTRICT

The District provides elementary and secondary school services to an area of approximately 102 square miles located in south central Contra Costa County, extending south to the Alameda County line and north to the City of Walnut Creek. With the exception of a small area lying within the city limits of Walnut Creek, all lands comprising the District are presently unincorporated. Principal communities within the District are Alamo, Danville, Diablo, and San Ramon. Danville, situated near the center of the District, and the largest in population (19,000), is about 30 miles east of San Francisco and seven miles south of Walnut Creek.

The San Ramon Valley lies between Mount Diablo on the east and the Las Trampas Hills to the west. The area was first settled in the 1850's. For a century, this part of the county was devoted largely to orchards and grazing lands. Since the decade of the 1950's, residential development has proceeded rapidly. In more recent years, light manufacturing and research and development activities have located in the District. A substantial number of District residents commute to financial and industrial centers in the San Francisco-Oakland urban complex. However, local employment is steadily building up in trade, services, and manufacturing. This development is facilitated by Interstate 680, which bisects the District and connects with major freeways both to the north and the south, providing ready access to all major business centers in the San Francisco Bay Area.

Population and Housing

A special countywide census by the Contra Costa County Planning Department in 1975 indicated that District residents are among those with the highest incomes in Contra Costa County. Educational levels are much higher than the county average, and households are of a larger size than that reported countywide.

The present population of the District is estimated at 45,000 persons, including approximately 550 persons residing in the City of Walnut Creek. Between April 1970 and April 1975, the four principal communities together gained more than 45 percent in population, compared with a countywide gain of less than five percent. During this period, San Ramon experienced the highest percentage growth rate and attracted the greatest number of new residents, as reported in the 1975 special census. Results of this census are compared with the 1970 Federal Census below.

Principal District Communities Population Growth 1970-75

Community	1970 Federal Census	1975 Special Census	Percent Change
Alamo	6,120	8,108	32.5%
Danville	16,218	18,885	16.4
Diablo	794	1,036	30.5
San Ramon	4,884	12,749	161.0
Total	28,016	40,778	45.6
Contra Costa County .	555,805	582,829	4.9

During the same time span, the City of Walnut Creek grew from 39,844 persons in 1970 to 46,034 in 1975, a gain of 15.5 percent.

Housing statistics are available for the Alamo-Danville Census Division, as reported in the 1970 Census of Housing. Of the 4,053 all-year housing units reported, nearly 91 percent were single family homes and 80 percent were owner-occupied. The median value for owner-occupied homes was \$40,700, compared with a countywide median of \$25,700. Median monthly rent was \$172 in this census division, and \$124 throughout the county. The summary on page 28 shows the distribution of owner-occupied homes by value class.

Alamo-Danville Census Division

Value of Owner-Occupied Homes—1970

Value	Number of Homes	Percent of Total
\$19,999 or less	91	2.9%
20,000-24,999	243	7.7
25,000-34,999	748	23.7
35,000-49,999	1,319	41.7
50,000 or more	757	24.0
Total	3,158	100.0

① Source: 1970 U.S. Census of Housing.

Income

Income levels in all four of the District's communities are significantly above the county average. Median household incomes in 1975 ranged from \$21,387 in San Ramon to \$25,690 in Diablo, as disclosed on the 1975 special census. The comparable county figure was \$15,026.

Diablo, Alamo, and Danville rank third, fourth, and fifth, respectively, among all Contra Costa County communities in median household income. (Only Orinda and Moraga rank higher.) The following tabulation shows the development in income patterns in the four communities over the five-year period, 1970 to 1975.

Principal District Communities

Median Household Income

Community	1970 Federal Census	1975 Special Census
Alamo	\$17,930	\$24,123
Danville	15,928	22,768
Diablo	16,905	25,690
San Ramon	15,944	21,387
Average	\$16,677	\$23,492
Contra Costa County	\$10,992	\$15,026

The District's high income levels are supported by an educational attainment well above average. Median school years completed range from 15 in San Ramon to 16 in both Alamo and Diablo, indicating a comparatively large number of persons with advanced degrees.

Employment

District residents have ready access to a wide variety of employment opportunities, not only within the District itself, but in adjoining work centers and throughout Contra Costa, Alameda, San Mateo, and San Francisco Counties. Many research and development, data processing, and technology-oriented firms are locating in the Concord-Walnut Creek and San Ramon areas.

The District and Immediate Vicinity: The Shell Chemical Company has established divisional administrative headquarters at San Ramon. The facility provides employment for 325 administrative and managerial personnel. Pacific Gas and Electric Company's \$4,500,000 Engineering Research Laboratory at San Ramon, located on a 15-acre parcel, employs over 80 engineering and technical personnel. High voltage testing and other research work are carried on at the laboratory.

The facilities of EG&G Corporation at San Ramon employ over 150 scientists and engineers in nuclear instrumentation, optics, photography, and vacuum systems development. EG&G provides technical support to the Lawrence Livermore Laboratory.

Research and development activities in the aerospace industry are represented by MB Associates of San Ramon, which employs 325 in the development and production of ordnance and special scientific devices.

Breuner's Home Furnishers, a large furniture retailing organization with stores throughout Northern California, will employ 250 administrative, office, and clerical employees at corporate offices to be located in the former Aerojet General plant on Crow Canyon Road in San Ramon, adjacent to the District's warehouse and maintenance facility. The relocation from present corporate offices in Oakland and Richmond is expected to take place on or before October 1976.

In recent years, a growing nucleus of scientifically oriented research and development firms have located facilities in the Livermore-Amador Valley immediately south of the District. The Lawrence Livermore Laboratory of the University of California, at Livermore, employs over 5,000 professional and technical personnel. The Laboratory holds a preeminent position in nuclear research and development, complementing the work of the Lawrence Berkeley Laboratory. Adjoining the Laboratory to

the south is Sandia Laboratories, which operates a nuclear engineering installation for the U.S. Energy Research and Development Administration.

General Electric Company's Vallecitos Nuclear Center, southeast of Pleasanton, employs approximately 650 in nuclear power research and development for public utility applications.

Hexcel Corporation is engaged in the development and production of honeycomb structural components, primarily for aerospace applications. Employment at Livermore numbers approximately 80 and up to 160 are employed in the headquarters location at Dublin.

One of the newest industrial research centers to become operational in the Livermore-Amador Valley is the Kaiser Aluminum and Chemical Corporation Center for Technology. Located on an 80-acre site in Pleasanton, the \$25,000,000 Center for Technology employs 300. Basic programs underway in the Center, which centralizes all of the corporation's basic research, include research in metals, minerals, chemicals, environmental control, communications, packaging, energy applications and transportation.

Important distribution facilities are located in the District and in the Livermore-Amador Valley. The western regional distribution center of the Eastman-Kodak Company, which employs 150, distributes photographic products throughout the western states and Alaska from San Ramon. Amfac's distribution complex in Dublin serves all of the Rhodes, Liberty House and Bazaar stores in Northern California. K-Mart, an affiliate of S. S. Kresge Co., has built a \$2.5 million facility on 11 acres in San Ramon Industrial Park at Dublin.

Within and adjacent to the District are important food research and development facilities. The centralized research laboratories of Foremost Foods, a subsidiary of Foremost-McKesson, Inc., employs approximately 50 technicians and scientists at Dublin. Foremost personnel are engaged in food technology, processing, and packaging research.

The Filper Corporation of San Ramon, which employs 175, is active in the development and manufacture of canning equipment, fruit pitters, and other food processing machinery. Cryodry Corporation (also known as Microdry) employs approximately 40 in the production of industrial microwave heating equipment for the preparation of frozen vegetables.

The Clorox Company has established a research center for the testing of household products at Pleasanton, and presently employs approximately 100 persons.

Tenneco Chemicals Co. purchased an existing industrial plant in Pleasanton and engages in research and manufacturing of paint colorants, primarily for industrial use. The firm employs approximately 200 persons.

Regional book publishing and distribution operations for Scholastic Magazines, Inc. are centered in Pleasanton.

At Camp Parks, near Pleasanton, is the \$5.5 million Federal Youth Center, operated by the U.S. Bureau of Prisons. The Center, which employs 140 persons, houses about 250 youths convicted of non-violent crimes and is run as a minimum security institution.

Large employers in Walnut Creek, bordering the District to the north, are the research laboratories and medical devices production plant of Dow Chemical Company, the aerograph operations of Varian Associates, a Palo Alto-based firm, and the Contra Costa Times. These establishments have combined employment of more than 1,000 persons. The tabulation on page 30 lists the largest employees in the District and the immediate vicinity.

East San Francisco Bay: Important sources of employment for District residents are also in the western portion of Alameda County and the northern portions of Contra Costa County, in such work centers as Oakland, Alameda, Hayward, Martinez (center of county government), and Concord. Industrial development within these areas is long established and diverse.

LARGEST EMPLOYERS IN THE DISTRICT AND IMMEDIATE VICINITY

Firm	Product/Service	Number of Employees
Lawrence Livermore Laboratory	Nuclear research	5,695
San Ramon Valley Unified School District*	Public education	954
Sandia Laboratories	Nuclear engineering	875
General Electric Nuclear Center	Nuclear research	625-700
Veterans Administration Hospital	Medical care	400
Valley Memorial Hospital	Medical care	325
MB Associates*	Ordinance, aerospace items	325
Shell Chemical Company*	Administrative offices, Agricultural Div.	325
Intel Corp.	Electronics	450
Contra Costa Times	Newspaper	375
Dow Chemical Co.	Research laboratories	350
Varian Associates	Aerograph instruments	370
Breuner's*	Corporate headquarters (retailer)	250①
Capitol Metals	Steel processing, warehousing	125
Kaiser Sand & Gravel	Aggregates	149
Livermore Data Systems	Computer manufacturer	100
Lox Equipment Co.	Cryogenic vessels fabricator	120-130
Wente Bros. Winery	Vineyards and winery	60- 90
Eastman-Kodak Company*	Distribution center	150
Hexcel, Inc.	Engineered materials	240
Security Devices (Systron-Donner)	Detection and intrusion equipment	100
Tenneco Chemicals Co.	Paint colorants	200
EG & G Corporation*	Nuclear instrumentation	170
Filper Corporation (DiGiorgio Corp.)*	Food machinery	200
Federal Bureau of Prisons	Youth correctional center	140
Pacific Gas and Electric Company*	Research laboratory	80
Kaiser Aluminum & Chemical Corp.	Research center	300
Clorox Co.	Research and development	100
Scholastic Magazines Pub. Co.	Periodicals and books	125
Rhodes-Jamieson	Building materials	100
Amfac-Distribution Center	Merchandise distribution	250
Robert Parker Research, Inc.	Digital thermometers	65
Multisonics Inc.*	Electronics	120
Lone Star Industries	Building materials	100

① As of October 1976.

*Located in the District.

Sources: Original sources and local chambers of commerce.

The most recent study by State labor analysts reports that nonagricultural wage and salary employment in Alameda County as of June 1976 is estimated at 433,500, a gain of 4,500 persons over the previous June. Major sources of employment in the county are government, with more than 25 percent of all nonfarm employees, trade, manufacturing, and services. In Contra Costa County, total nonagricultural employment in June 1976 was estimated at 155,000, an increase over the previous June of 5,700 workers. For Contra Costa County, government is also the principal source of jobs, reporting 25 percent of employment. Next in importance are trade, services, and manufacturing.

The distribution of nonagricultural employment in East Bay labor markets for 1970 and 1974 is shown in the tabulation below. At June 1976, there were an estimated 2,500 agricultural workers in Alameda County, and 1,200 in Contra Costa County.

Within the District's adjacent labor market areas, manufacturing industries are important sources of employment and include such activities as production of primary and fabricated metals, production of nonelectrical and electrical machinery, petroleum refining, chemical and food processing and production of automobiles and trucks. Both General Motors and Ford have large assembly plants in the East Bay.

Wholesale and retail trade is a major source of

employment in the District and in nearby population centers. Added diversity and stability to the economic base of the East San Francisco Bay Area is provided by substantial employment in the service industries and local, State and federal governments.

In terms of total employment, the Oakland-Alameda area is one of the largest in the State. The City of Oakland, sixth largest in the State, is the world headquarters of Kaiser Industries and its affiliated companies. Kaiser is Alameda County's largest private employer. The City also serves as national headquarters of Safeway Stores, Inc., the nation's second largest retail grocery store chain. Major companies which have substantial manufacturing facilities in the Oakland-Hayward area include the General Electric Company, Caterpillar Tractor Company, International Harvester and Western Electric Company. A list of major employers in the East Bay appears on page 32.

Alameda County and Contra Costa County form part of the five-county San Francisco-Oakland Labor Market Area, for which labor statistics are reported on a current basis by the State Department of Employment Development. At February 1976, total civilian employment in this five-county area totaled 1,294,500, compared with 1,304,300 the previous February. The seasonally adjusted unemployment rates for February 1975 and 1976 were 9.7 and 10.7, respectively. The unadjusted rates were 10.5 and 11.6, respectively, according to State Labor Market Bulletins.

EAST BAY LABOR MARKETS

Nonagricultural Employment by Industry

Annual Averages

Industry	Alameda County		Contra Costa County	
	1970	1974	1970	1974
Contract construction	19,300	19,100	9,800	9,700
Manufacturing	83,000	85,100	27,200	26,600
Transportation, communication, and utilities	32,200	31,600	8,800	10,000
Wholesale and retail trade	84,600	95,000	29,000	36,000
Finance, insurance, real estate	17,800	21,800	4,500	6,100
Services	63,400	73,500	21,900	26,100
Government	104,600	108,100	30,900	34,000
All other	1,100	900	200	300
Total	406,000	435,100	132,300	148,800

Source: State Department of Employment Development.

MAJOR EMPLOYERS IN THE EAST SAN FRANCISCO BAY AREA

1,000 or More Employees

Firm	Product/Service	Estimated Employment
University of California	Berkeley Campus and AEC laboratories	16,000
Alameda Naval Air Station	U. S. Navy Facility	2,340
Kaiser Industries	World-wide headquarters	5,200
Alameda County	County government operations	8,500
General Motors Corporation	Passenger cars and trucks	5,700
Pacific Telephone Company	Utility service	4,500-5,000
Oakland Unified School District	Elementary and secondary schools	6,400
Del Monte Corporation	Food packing	1,230-4,150
Montgomery Ward Company	Retail department stores	4,700-5,400
Southern Pacific Transportation Co.	Freight and passenger transportation	3,500
Oakland Army Base	Military cargo and passenger terminal	1,600
Ford Motor Company	Motor vehicles	4,000
Pacific Gas and Electric Company	Gas and electric utility	3,600-3,735
Naval Supply Center, Oakland	U. S. Naval Supply Center	3,000
Hunt-Wesson Foods, Inc.	Food processing	700-3,000
Sun Valley Shopping Center, Concord	Retail complex	3,000
The Rucker Company	Electronic control systems	2,100
Safeway Stores, Inc.	Retail grocery	2,100
Naval Weapons Station, Concord	Ordnance	2,500
Owens-Illinois, Inc.	Glass and corrugated containers	2,040
California State University, Hayward	State University	1,400
Hayward Unified School District	Public schools	2,000
Berkeley Unified School District	Public schools	1,800
Alameda/Contra Costa Transit District	Mass transit	1,680
Caterpillar Tractor Company	Fuel injection equipment for diesel engines	1,630
Mervyn's	Retail department stores	4,000
Fremont Unified School District	Public schools	2,000
H. C. Capwell & Company	Retail department stores	1,585-1,695
General Electric Company	Electrical apparatus, controls and wire cable	1,220-1,370
Systron-Donner Corporation	Electronics	1,400
Blue Cross of Northern California	Northern California headquarters	1,600
Sears, Roebuck & Company	Retail department stores	1,060-1,210
Bank of America N.T. & S.A.	Banking-regional headquarters	1,100-1,200
Western Electric Company	Telephone apparatus for the Bell System	1,510
East Bay Municipal Utility District	Water distribution and sewage disposal	1,000-1,050
World Airways, Inc.	Headquarters charter airline	1,665
Pacific States Steel Corporation	Grinding balls, rods, and forgings	800-1,100
Peterbilt Motors	Heavy duty motor trucks	1,280
Standard Oil Company, Concord	Customer service division	1,300
Lucky Stores, Inc.	Retail grocery chain	1,280
National Health Enterprises	Convalescent hospitals	900-1,000
Todd Shipyards Corp.	Ship repair	300-1,000
U. S. Postal Service	Mail service	4,000
Bay Area Rapid Transit District	Transportation	1,700
Naval Medical Center	U. S. Navy hospital	1,700
City of Berkeley	Government	1,650
Alameda Unified School District	Education	1,170
City of Oakland	Government	3,500
Singer Business Machines	Data processing equipment	2,100
Diablo Systems, Inc.	Computer peripheral equipment	1,000

Sources: 1975 Community Economic Profiles and Oakland Chamber of Commerce.

Development and Construction

The San Ramon Valley Area General Plan draft proposal of March 1976, prepared by the General Plan Citizens' Committee and the Contra Costa County Planning Department, sets forth firm guidelines for the preservation of the life style apparently preferred by most residents of the Valley. This means a preference for low density single family residences, a village-like atmosphere in a semirural environment, no regional shopping centers, and no heavy industry. Multiple residential units in suitable densities are provided for, but only in controlled locations, i.e., near population concentrations.

To enhance local employment, the Plan encourages large regional offices in designated areas, the continued orderly development of research facilities and light industrial uses, and the development of convenience-type shopping areas in dispersed locations in order to mitigate traffic congestion.

For many years residential development has accounted for the major portion of new construction in the San Ramon Valley. There are more than 30 home builders now operating in the District, including Crown Construction, Harold W. Smith Co., R. L. Smith Development Co., Viking Homes, Damé Construction Co., Falender Homes Corp., Crocker Homes, Kaufman and Broad, Inc., Mackay Homes (Division of Kaiser-Aetna), and Shapell Industries.

Residential construction is principally the single-family type in the \$70-90,000 price range, with many fine custom-built homes in certain areas. An example of the latter is the plan for development of the 5,000-acre Blackhawk Ranch by the Blackhawk Development Co. Approximately 3,000 acres of the property, located two miles east of Diablo, may be developed for custom-built homes in the \$100,000-150,000 price class. The first phase of 40-50 homes is planned for construction in 1977, with expansion to 100 units after 18 months, and an eventual annual rate of 350 units. The Contra Costa Planning Department states that Environmental Impact Reports authorizing the development of 242 lots in the initial stages have been approved by the County.

Damé Construction Company, one of the largest builders in the District, is building homes priced at \$65-79,000 in the Shadow Hills area east of I-680. The present schedule calls for construction of 302 homes. The first section, of 81 homes, is nearly complete and occupied, and the second 80-home phase is now underway. Subsequent stages call for 43, 32, and 66 homes, respectively.

Firm data on building permits are not available for the District, because Contra Costa County does not report such data for unincorporated areas. However, records of the District and estimates by industry observers indicate that approximately 500 housing units annually have been built in the District over the past three years. About 75 percent of this volume has been built in the southern part of the District, i.e., in San Ramon and the southern sector of Danville.

The District has compiled a summary of recent home building permits, based on weekly reports of individual permits from the County Building Department. For the period July 1975 to April 1976, a total of 647 new home permits was recorded for the District. The data, arranged by elementary school areas, indicate that over 60 percent of these new homes are located in the Danville area east of I-680.

All developers must enter into agreements with the District by which they assist the District in the acquisition of school sites and the acquiring of portable buildings. For this purpose, the developer pays to the District \$225 per bedroom after the first bedroom for each house he constructs. This fee is payable when the building permit is obtained. A large developer has the option of donating a site to the District which has an equivalent value based upon the bedroom tax calculation.

Industry

Industrial development in the District is largely reserved for the Crow Canyon Road area in San Ramon, on both sides of I-680. West of I-680 are EG&G, Inc., the Filper Corporation, Shell Chemical, and MB Associates (Bollinger Canyon Road). East of I-680 are the PG&E Research Laboratory, Jatho Engineering, Microdry Corporation, General Radio-isotope Products, Multisonics, Inc., and Vacuum Research Company. As of October 1976, the corporate offices of Breuner's Home Furnishers will occupy the facility previously occupied by Aerojet General Corporation. The District maintains a warehouse and audio-visual facility in this area.

The geographic area earmarked for industrial use in the General Plan extends south from Crow Canyon Road and includes the 1,780-acre former Bishop Ranch, now owned by Western Electric Company. Western Electric, which partially developed the acreage, has relocated local operations to San Jose and to plants in Massachusetts. Future use of the property is unknown at this time. Western Electric has advised that the property is available for sale or lease.

Commerce

Banking services in the District are available at three offices of the Bank of America N.T. & S.A., Diablo State Bank, and at local offices of The Bank of California, United California Bank, and Wells Fargo Bank.

Savings and loan services are provided at District offices of Diablo Valley Savings and Loan, Eureka Federal Savings and Loan, Franklin Savings and Loan, and World Savings and Loan Association.

The Danville area is the center of over 200 retail establishments in the San Ramon Valley. Commercial development has largely taken the form of neighborhood shopping centers which complement the downtown stores and service shops on Hartz Avenue and Diablo Road in the center of Danville.

Between 1971 and 1975 taxable sales at the retail level in Contra Costa County grew from \$822.6 million to \$1,341 million, an increase of 63 percent. No comparable data are available for the District since it is a largely unincorporated area.

Sun Valley Mall in Concord, a few miles north of the District, is one of the largest air-conditioned shopping centers in the nation, and provides District residents a wide variety of shopping advantages.

Transportation

Interstate 680 traverses the San Ramon Valley in a north-south direction, providing excellent freeway access to major commercial and industrial centers in the Bay Area. It extends from San Jose, 30 miles south of the District, to its connection with Interstate 80 near Vallejo, about 20 miles north of the District. Immediately north of the District, State Highway 24 runs westerly from I-680 to East Bay cities, and northerly to State Highway 4, which runs east-west along the northern part of Contra Costa County. Two miles south of the District at Dublin, I-680 joins Interstate 580, which serves southern Alameda County and is the principal route east from the Bay Area to the San Joaquin Valley.

Branch lines of the Bay Area Rapid Transit District extend to Concord, in central Contra Costa County, and to Fremont, in southern Alameda County. Residents of the District can conveniently board BART trains at the Walnut Creek Station and the Bay Fair Station, respectively. Scheduled commuter travel time from Walnut Creek to San Francisco is 22 minutes via BART. The Alameda-Contra Costa Transit District (AC Transit) operates a

feeder bus service to the Walnut Creek BART station from San Ramon and Danville. Sierra Lines schedules a commuter bus to the Lawrence Radiation Laboratory in Livermore from the District.

The Southern Pacific, one of three railroads serving the County, parallels I-680 through the San Ramon Valley and serves industrial plants in the District. Common carrier truck service and Greyhound bus service is available in the District.

Air passenger and cargo service is available at Oakland International Airport, less than one hour's drive west via freeway. San Francisco International Airport and San Jose Municipal Airport offer additional flights to national and international destinations. The county-operated Buchanan Field, eight miles north of the District, has a 5,000 foot runway and an FAA control tower.

Deepwater shipping is available at Port of Oakland, near the Oakland International Airport.

Utilities

Electricity and natural gas are supplied by Pacific Gas and Electric Company and telephone service in the District is provided by Pacific Telephone Company. Water is furnished by the East Bay Municipal Utility District. Sanitary service is provided by the Central Contra Costa County Sanitary District and several other districts. Three private disposal service companies operate in the District.

Education

Virtually all primary and secondary public school students in the San Ramon Valley are enrolled in the District. Three other school districts serve very minor parts of San Ramon Valley.

Supplementing the public school are St. Isidore's parochial school in Danville, the private Dorris-Eaton School (K-8) at Alamo, and The Athenian School (grades 9-12) in Danville.

The Contra Costa Community College District operates two-year community colleges at three locations: Contra Costa College, enrollment 9,718, in San Pablo; Los Medanos College, enrollment 5,323, in Pittsburg; and Diablo Valley College, enrollment 18,738, at Pleasant Hill, a few miles from the District (1975 enrollment data provided by Contra Costa Community College District). The master plan of the Contra Costa Community College District calls for a fourth campus in the San Ramon Valley, but plans for implementation have not been announced.

The South County Joint Community College District (Alameda County) opened a second campus at Livermore in the spring of 1975. The Valley Campus is situated on a 147-acre site north of I-580 and enrolls about 2,000 students.

The San Francisco Bay Area has outstanding colleges and universities. The University of California at Berkeley, California State University at Hayward, Mills College and St. Mary's are noted institutions in the East Bay. In the West Bay are the University of San Francisco, Stanford University, Santa Clara University, San Jose State University, and San Francisco State University.

Community Facilities and Recreation

Hospitals in the area include the 112-bed Valley Memorial at Livermore, the 297-bed Mt. Diablo Hospital in Concord, John Muir Memorial Hospital in Walnut Creek, Eden Hospital in Castro Valley, and the Veterans Administration Hospitals at Livermore and Martinez.

Medical services for District residents are provided by 35 physicians/surgeons and 36 dentists. There are two dental laboratories in the District.

Contra Costa County maintains libraries in Danville and Walnut Creek. There are 15 churches in the Valley.

Local and regional news coverage is furnished by the Valley Pioneer (weekly), Tri-Valley News (3 days a week), Herald & News (3 days a week) and the Contra Costa Times, published six days a week in neighboring Walnut Creek. Cable TV service is available throughout the District.

Fire protection is provided by four fire districts at eight stations. Police services are maintained by the Contra Costa County Sheriff's Department and the California Highway Patrol.

The San Ramon Valley Community Center in Danville is for District residents of all ages, and is staffed by the San Ramon Valley Unified School District.

Outdoor recreation in and near the District is provided by the State, East Bay Regional Park District, local districts, school districts, private clubs, and homeowners associations. The District covers most of Mt. Diablo State Park, largest park in Contra Costa County. The park has more than 80 overnight camp sites, 250 family picnic sites, and includes a section of the California Riding and Hiking Trail. The park covers more than 7,000 acres.

Along the ridge west of Alamo and Danville is the 1,465-acre Las Trampas Wilderness Park, maintained by the East Bay Regional Park District.

There are three 18-hole golf courses in the District. San Ramon National Golf Club in San Ramon is open to the public. Round Hill Country Club in Alamo and Diablo Country Club at Diablo are private. Round Hill has 15 tennis courts and Diablo Country Club has five. The San Ramon Valley Tennis Club plays on high school courts.

The San Joaquin-Sacramento River Delta, along the county's northern waterfront, has over 1,000 miles of waterways for fishing, boating, and water skiing.

Within an hour's drive of the District to the west are the numerous and varied recreational advantages of the San Francisco-Oakland area. Less than two hours to the east are the manifold outdoor attractions of the Sierra Nevada.

Contra Costa County

Contra Costa County was incorporated in 1850 as one of California's original 27 counties. The name is derived from the Spanish term for "opposite coast." The county covers 734 square miles, from the upper reaches of San Francisco Bay eastward to the Delta region formed by the confluence of the Sacramento and San Joaquin Rivers.

Deepwater shipping along 65 miles of the county's northern shore, good rail and highway transportation, and available industrial sites have contributed to Contra Costa's position as the center of heavy industry in Northern California. Along the north shore line are such national firms as U.S. Steel Corporation, E.I. duPont de Nemours and Company, Crown Zellerbach Corporation, Dow Chemical Company, Johns-Manville Corporation, and Continental Can Company. Five generating plants in the county produce more than 3,000,000 kilowatts of electricity, and five oil refineries account for a large volume of seaborne tonnage through the Golden Gate.

With the improvement in highways and completion of the Bay Area Rapid Transit System, which has two branch lines in the county, residential and commercial development has accelerated in recent years. Firms engaged in research and development activities and those with a technical orientation, in particular, have been attracted to the central and southern parts of the county.

Despite increasing urbanization, Contra Costa County continues to be an important agricultural county, with expanding farm acreage and agricultural production valued at approximately \$50 million yearly. Leading crops are tomatoes, sugar beets, lettuce, nursery crops, and milk.

During the past five years, building permit valuation in the county has averaged nearly \$240 million annually, with about 32 percent of this dollar volume originating in unincorporated areas. The District accounts for a substantial share of construction activity reported for unincorporated jurisdictions.

Exact data are not available, because the county does not compile permit valuation for such areas.

Contra Costa County generates more than \$1.8 billion of taxable sales annually. About 73 percent of taxable transactions are reported by retail establishments. Since 1971, the number of total outlets reporting taxable sales to the State Board of Equalization has increased by over 2,000.

Accompanying tabulations summarize taxable transactions, construction activity, and agricultural production in Contra Costa County for recent years.

CONTRA COSTA COUNTY

Taxable Transactions

Year	Retail Outlets		All Outlets	
	Permits	Transactions	Permits	Transactions
1971	3,706	\$ 822,621,000	9,161	\$1,034,079,000
1972	3,751	945,819,000	9,643	1,196,939,000
1973	3,775	1,103,782,000	9,932	1,413,873,000
1974	3,879	1,240,261,000	10,426	1,644,650,000
1975	3,976	1,341,028,000	11,235	1,823,174,000

Source: State Board of Equalization.

CONTRA COSTA COUNTY**Building Permit Valuation, 1971-75**

(\$000 omitted)

Type of Construction	1971	1972	1973	1974	1975
UNINCORPORATED AREAS ONLY:					
Residential	\$ 62,086	\$ 71,150	\$ 86,513	\$ 54,505	\$ 60,122
Non-residential	9,015	10,238	12,982	9,931	9,884
Total Value	\$ 71,101	\$ 81,388	\$ 99,495	\$ 64,436	\$ 70,006
Number of New Housing Units:					
Single Family	2,017	2,107	2,424	1,299	1,440
Multi-Family	537	745	164	130	32
Total Units	2,554	2,852	2,588	1,429	1,472
TOTAL COUNTY:					
Residential	\$209,053	\$201,333	\$191,406	\$145,292	\$158,873
New Commercial	15,563	25,508	23,789	33,452	40,518
New Industrial	3,101	5,181	13,476	10,326	8,636
Other	16,433	29,453	21,018	19,333	26,645
Total Value	\$244,150	\$261,475	\$249,689	\$208,403	\$234,672
Number of New Housing Units:					
Single Family	4,852	5,687	4,723	3,269	3,797
Multi-Family	6,628	3,684	2,113	768	517
Total Units	11,480	9,371	6,836	4,037	4,314

Source: "California Construction Trends," Security Pacific Bank.

CONTRA COSTA COUNTY**Gross Value of Agricultural Production**

Commodity	1971	1972	1973	1974	1975
Field Crops	\$ 5,004,800	\$ 5,036,400	\$ 6,815,800	\$10,642,800	\$11,729,000
Fruits and Nuts	5,606,200	5,504,000	7,407,500	5,988,400	5,775,300
Vegetables	10,590,700	5,330,200	6,350,400	12,659,200	11,041,600
Livestock and Poultry	7,818,180	9,503,950	12,473,930	12,730,550	8,744,070
Animal Products	2,062,300	2,160,400	2,231,800	3,151,300	3,295,280
Nursery Products	3,364,100	4,326,000	5,657,000	7,996,000	9,219,800
Seed Crops	5,910	5,310	3,750	42,000	①
Apiary	11,845	12,306	13,806	12,564	②
Total Value	\$34,464,035	\$31,878,566	\$40,953,986	\$53,222,814	\$49,805,050

① Combined with Vegetable Crops.

② Combined with Animal Products.

Source: County Department of Agriculture.

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